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5 January 1983

# Latin America Report

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## LATIN AMERICA REPORT

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PARAGUAYAN DAILY ASSESSES REAGAN'S TRIP TO BRAZIL

PY071317 Asuncion LA TRIBUNA in Spanish 4 Dec 82 p 5

[Editorial: "Initial Results"]

[Excerpts] President Reagan's visit to Brazil has ended, and aside from certain more or less anecdotal or formal aspects of the agenda, one must concur that this visit to Brazil marks a very special moment for the relations between the main hemispheric power and our neighbor.

Mr Reagan finished his speech to Sao Paulo businessmen by making a statement which leaves little room for doubt: "And by your side will be the United States," probably reaffirming the stands of former President Nixon and Secretary of State Henry Kissinger.

At the political level all this implies new situations and conditions which have to be calmly assessed because they will have long-term effects which are bound to affect the other nations of the continent.

Undoubtedly the U.S. support for Brazil, especially after the U.S.'s difficult stand on the Malvinas issue, is aimed concretely at sealing what some Brazilian newspapers have called the "U.S.-Brazilian Alliance," which for Brazil implies a preferential and privileged treatment vis-a-vis the other nations of the continent.

Naturally, this preferential treatment is not the result of the mere possibility of Brazil becoming a democratic giant--something which is certainly both encouraging and pleasant--but of the strategic requirements in which Brazil, thanks to the patient and persevering efforts of Itamaraty, will play an ever increasingly significant role. It was not fortuitous that certain aspects of Itamaraty's African policy were discussed.

Furthermore, in view of the results of the latest elections--which were very enlightening--the United States became convinced that it was necessary to strengthen economic ties above anything else. The warning voiced by a New York daily is remarkably explicit [reference is to a NEW YORK TIMES editorial warning against seeing Brazil in the same light as other Latin American countries]. No democracy has been known to function efficiently amid economic hardships. It was necessary to prop up Brazil's reestablished democratic

system and, above all, to prevent economic imbalances from giving rise to attitudes. If not openly adverse or hostile, at least highly critical of and unfavorable to the U.S. policy.

Thus, we are facing a fact of significance for the inter-American system. It is too early to speak of the alliance which the daily O GLOBO has proclaimed, but there is no doubt that from now on Brazil will agree with the United States on all regional matters.

Ours is a small neighboring country between Brazil and Argentina which is trying to overcome its difficulties. Even though it has been said over and over again that Brazil has no hegemonic pretensions, truth belies these words.

From now on Brazil will have the explicit support of the United States for its foreign policy. This fact will become more and more significant every day and the possibility that it will give rise to growing dependency in neighboring nations cannot be excluded.

CSO: 3348/137

## DEFICIT FOR 1982 SET AT 3.8 PERCENT OF GDP

Buenos Aires LA PRENSA in Spanish 2 Dec 82 pp 1, 4

[Text] The Executive Branch approved Law 22,683, which modifies the general spending budget and calculation of National Administration resources for the current year so that the 1982 deficit can climb from 1.90 percent of the gross domestic product (GDP) to 3.86 percent under the new law.

Accordingly, the authorized increase in the budget deficit is 35,269,089,-000,000 pesos, which when added to the original deficit makes a total of 54.598 trillion pesos.

It should be noted that of the total deficit mentioned above, 48.881 trillion pesos corresponds to the National Administration, while state enterprises and corporations and binational entities have a deficit of 5.717 trillion pesos. There is no deficit in the categories covering the provinces, the national territory of Tierra del Fuego and the Municipality of Buenos Aires.

The estimated deficit of the various components of the public sector, as a percentage of the GDP, is as follows, with the original budget deficit indicated in parentheses: Central Administration, 3.18 percent (1.46); special accounts, -0.22 percent (-0.36); decentralized agencies, 0.34 percent (0.57); provinces and the Municipality of Buenos Aires, -0.06 percent (-0.08); enterprises and corporations and binational entities, 0.62 percent (0.31).

## Modifications

The modification of the original budget for 1982 was mandated fundamentally by the need to update the estimates made when the budget was passed, because that legal instrument was drawn up using prices from January of this year.

Consequently, the budget adjustment that has been approved includes, in the first place, the minimum modifications necessary to prevent any disruption of the operations of the National Administration, the provinces, and state enterprises and corporations, taking into account the impact of variations in prices and the exchange rate on the originally budgeted credits.

In this regard, it is noted that the increases contemplated for this purpose are the result, in general, of an exhaustive evaluation of the needs of the aforementioned entities, in accordance with the economic, financial and political circumstances of this year, and with the actual execution of the credits authorized as of the time the decision was made to undertake the adjustment.

The budget adjustment also takes into account the requirements of two other objectives: a) improving real wages, and b) reactivating public works.

In turn, the above had to be decided within the restrictive framework of a certain fiscal deficit that was compatible with existing monetary policy and with the situation in the external sector.

#### Benefits

The budget modifications substantially involve increasing credits for the functioning of public sector agencies; larger credits for the categories of personnel and transfers to the pension system and for private education, designed to comply with the wage policy set forth by the Executive.

They also include larger allotments to the provinces to help finance the wage increases granted to keep pace with the national wage scale.

Similarly, more funds will be transferred to public enterprises, where contributions are also urgently needed by the Argentine Railway and the National Mail and Telegraph Enterprise (ENCOTEL) to meet their greater wage obligations. Another 8.38 trillion pesos is needed to absorb the difference in the price of gas acquired from the Republic of Bolivia, which will be the responsibility of the National Treasury.

The goal of reactivating the productive system requires the development of an emergency public works program in order to renew projects already begun, or to put into motion projects that have received bids but not awarded contracts yet. The present economic situation cannot be ignored, however, in terms of the severe restrictions on the use of foreign currency, in contrast to the high level of unemployment.

#### Public Works Plan

Other significant adjustments in the National Administration include those introduced in the investment programs carried out by the National Atomic Energy Commission, in the Embalse Rio III Nuclear Power Plant, the Atucha II Nuclear Power Plant, the heavy water plant and the research and development projects, all of which have been allotted a larger credit of 4.6 trillion pesos, a 71.9 percent increase.

It should be clarified that there was an additional adjustment of 1 trillion pesos for the same purpose at an earlier date, resulting in a total increase of 5.6 trillion pesos.

The Ministry of Public Works and Services will expand its investment by 900 billion pesos, a 21.0 percent growth.

This greater investment entails an increase of 700 billion pesos for the National Highway Office in order to maintain continuity in the projects underway and the bidding on new projects. It should be pointed out that the total increase in investments in the highway infrastructure amounts to 2 trillion pesos, taking into account the agency's greater resources in addition to those provided by Law 22,683.

Moreover, investment by the National Institute of Hydric Technology and Science, the National Architecture Service, the Official Radio Broadcasting Service, the Secretariat of Communications and Grain Elevators will be expanded as well.

As for social projects, most noteworthy are those designed to continue the plans of the Ministry of Education and those involving health programs, especially the maternal-infant program. Furthermore, the projects planned by the Judicial Branch and the Ministry of Justice will also continue.

#### Provinces

Within the plan for projects, the provinces will undertake an additional investment of 8.6 trillion pesos above the finally approved budgets, to be financed by an allotment from the National Treasury of 600 billion pesos, included in this new budget.

This contribution complements the adjustment already made by the Regional Development Fund, whereby 300 billion pesos from the Special Electrical Development Fund will be allocated.

By means of Decree 922, the Executive Branch declared that the provinces are to make investments totaling 3.4 trillion pesos through the National Housing Fund (FONAVI), and should also consider providing greater financing with funds obtained from highway coparticipation resources (700 billion), oil and gas royalties (1.3 trillion), provincial jurisdiction resources (1.4 trillion) and resources transferred from various national agencies (600 billion).

The additional investment to be undertaken by public enterprises, classified by sectors, is as follows: fuel, 8.2 trillion with an 82.4 percent increment over the original credit; energy, 6.7 trillion and a 78.8 percent increase; communications, 3 trillion pesos and a growth of 61.4 percent; transportation, 2.5 trillion and a 55.4 percent rise; and binational entities, 800 billion pesos and a 49.2 percent increase.

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CSO: 3348/142

WHEAT CROP PROJECTION FIGURES DIFFER

Agricultural Reactivation Potential

Buenos Aires MERCADO in Spanish 11 Nov 82 p 25

[Text] The agricultural-livestock sector could be one of the major areas of [economic] reactivation to the extent that the authorities are motivated to invest in it; agriculture has greater impact because of the higher relative prices which have characterized this activity in recent years and the increase in land area devoted to larger crops and bigger yields, contrasting with the livestock sector which had experienced a steep decline and is only now recovering. An excellent evaluation of the situation and agricultural-livestock prospects was made by Dr Jose A. Martelliti, director of the economic research service of the Cattlemen's Bank, an institution which for a decade has been analyzing the agricultural-livestock situation and the prospects of this area.

The following general conclusions were drawn from the research conducted on the situation as of August 1982 and the results obtained in the spring of 1982:

--The land area devoted to the planting of grains in the major crop sector was maintained, with an increase in sorghum fields, stability for the oil-yielding crops and a decrease in cornfields.

--There is a trend toward restoration of cattle herds, particularly breeding stock facilities.

--The present land areas devoted to agriculture and cattle will be maintained.

--There was an increase in the profitability of the sector.

--The investment plans envisioned a year ago have been carried out.

--A greater utilization of technology is anticipated.

--Most of those surveyed said that the present situation of the sector is "favorable."

This scenario is the result of the fact that current prices have been higher since the beginning of 1982 than parity prices (the price a producer would require in a given month to maintain purchasing power equal to that of the base period 1965-1969) in the case of wheat, sunflowers and flax which in August 1982 experienced increases of 47, 24 and 14 percent, respectively. On the other hand, there were steep declines in the prices of sorghum, corn, oats and, to a lesser degree, soybeans. However, the excellent position for some crops since the beginning of the year and problems for others were improved in general because of devaluation and the unification of the official exchange market, plus the announcement that there would be no slowdowns in the rates of inflation. Even before these developments, in June there had been an improvement in purchasing power, particularly for wheat growers, to a lesser degree for corn growers, capital goods (plows, dual-action harrows and seeders), as well as for expendable materials (diammonium phoshate and 2-4-D). The relatively minor rise in beef prices up to then impacted negatively on purchasing power as regards capital goods; but such was not the case with expendable production materials with respect to which recovery was considerable.

On the basis of production, stocks, reserves and demand, Martelliti calculates that wheat prices will not fall more than they already have. He estimates a harvest of 10 million tons, with an exportable balance of 6 million tons. However, the situation is different as regards fodder grains and oil-yielding grains; there has been a world surplus which probably will result in a drop in prices of these products. The great unknown is the policy of the Soviet Union.

As regards cattle, everything points to a continuation of the restoration of herds, with the consumer and the cattlegrower at loggerheads, which reportedly will raise prices even further and could reduce the very low level of consumption to 55 kilograms per capital annually, compared with 78 kilograms, at the end of 1981.

With respect to the technologies to be more intensively adopted, it was found that the survey responses concentrated on the incorporation of hybrid seeds, the generalized use of agricultural chemicals, artificial insemination, fertilizers, defoliant and presowing herbicides, machinery, barbed wire and fresh water supplies.

**Agricultural-Livestock Figures**  
(Weighted averages for three agricultural seasons)

Category	1980-81	1981-82	1982-83			
	Major [Crop]	Minor [Crop]	Major	Minor	Major	Minor
Total Production	33	37	48	16	69	2
Land area planted						
with minor crops	25	36	49	14	55	10
Land area planted						
with major crops	26	36	43	12	38	17

Sales of work cattle	30	33	31	26	21	31
Expected profitability	23	52	33	21	64	15

Source: Cattlemen's Bank

#### Greater Wheat Sales Abroad

Buenos Aires LA NACION in Spanish 27 Nov 82 p 3

[Text] A significant increase in wheat export figures was recorded at the National Grains Board yesterday by private firms.

The total figure registered with the Board yesterday was 464,000 tons bringing this harvest season's total to 1.415 million tons.

If account is taken of the fact that about 1 million tons are specifically earmarked pursuant to official agreements established by the Board, certain allocations to date total about 2.4 million tons.

In almost all instances, shipments relate to the first quarter of 1983, on the supposition that most of the wheat will be shipped between January and February.

A few days ago, the Secretary of Agriculture and Livestock announced that the wheat harvest was estimated at 12.5 million tons, as a minimum. With domestic consumption of about 4.5 million tons, the exportable balance would be 8 million tons, of which, as already stated, about 2.4 million tons have been sold to foreign countries.

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CSO: 3348/140



## ANTARCTIC BASE SOBRAL IS REACTIVATED

Buenos Aires LA PRENSA in Spanish 10 Dec 82 p 4

[Text] The Alferez de Navio Sobral base, the southernmost army base in the Argentine Antarctic, is now operating normally as a result of contact made with it by a patrol that left the General Belgrano 3 Antarctic base.

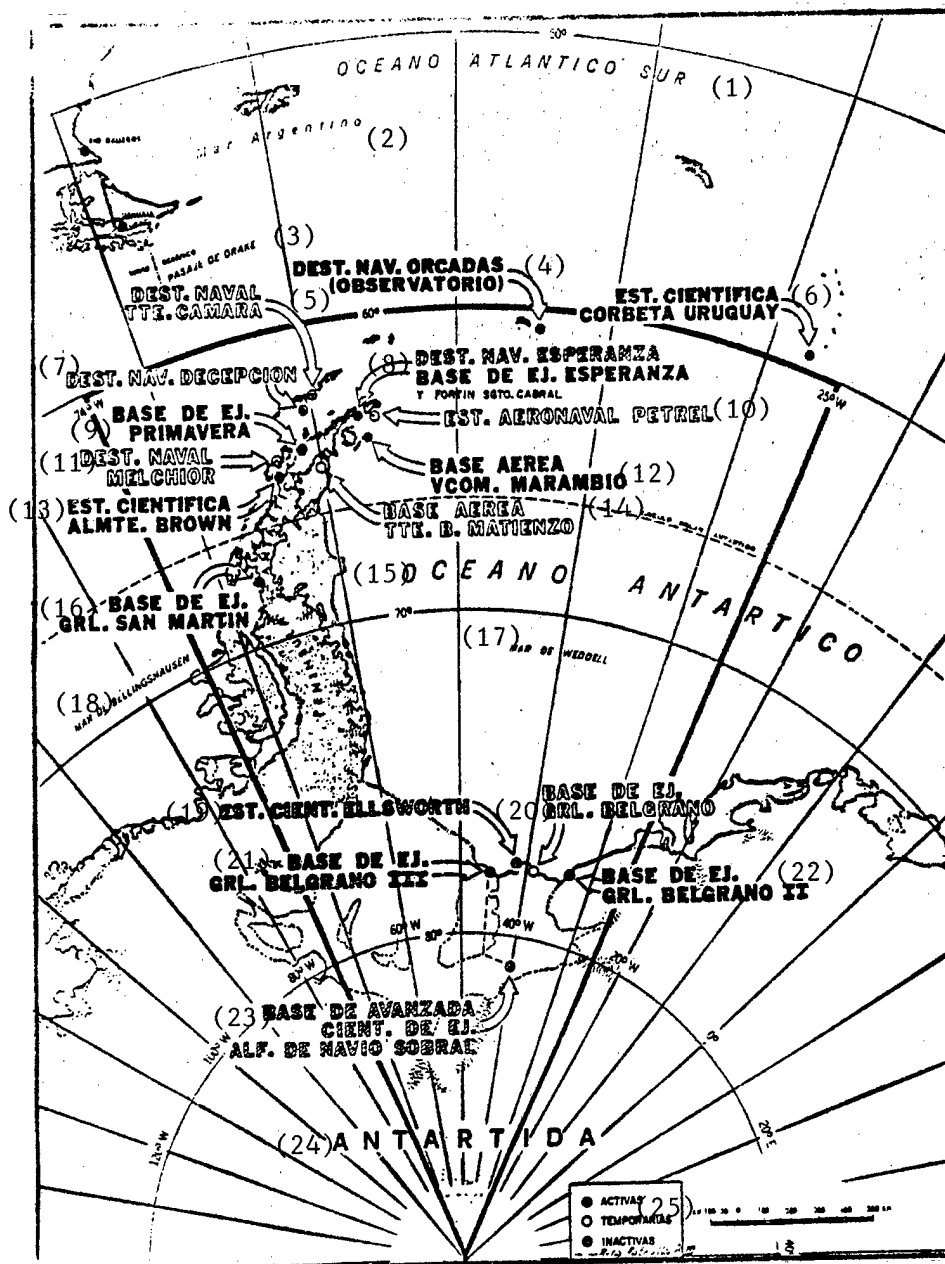
The patrol, which set out last 17 November, consisted of 1st Lts Eduardo E. Alonso and Emilio P. Morello; 1st Sgts Humberto Flores and Felix E. Macias; and Sgts Ruber R. Bascary and Juan D. Leguizamon.

The expeditionaries traveled in snowmobiles, and reached their destination in 3 days, covering 200, 150, and 50 kilometers per day, respectively.

The Alferez de Navio Sobral base, located 1,000 kilometers from the South Pole, had last been visited in 1970, by a patrol under the command of 1st Lt Hector L. Repetto.

Since 22 November, the men there have reactivated the base and carried out rehabilitation tasks, in accordance with the policies adopted for the Antarctic by the commander in chief of the army.

This effort will soon provide land access to the area of the Dufek Complex, on the Diamante mountain range, at 83 degrees latitude South and 50 degrees longitude West. This region is of great geological interest, and prospecting is called for in the medium-range plans of the General Office of Military Production.



Key:

1. South Atlantic Ocean
2. Argentine Sea
3. Ocean border; Drakes Passage
4. Orcadas Naval Station (Observatory)
5. Lt Camara Naval Station
6. Corbeta Uruguay Scientific Station
7. Decepcion Naval Station
8. Esperanza Naval Station; Esperanza Army Base; Sgt Cabral Fort
9. Primavera Army Base
10. Petrel Air-Naval Base

11. Melchior Naval Station
12. V.Com Marambio Air Base
13. Adm Brown Scientific Station
14. Lt B. Matienzo Air Base
15. Antarctic Ocean
16. Gen San Martin Army Base
17. Weddell Sea
18. Bellingshausen Sea
19. Ellsworth Scientific Station
20. Gen Belgrano Army Base
21. Gen Belgrano III Army Base
22. Gen Belgrano II ARmy Base
23. Alferez de Navio Sobral Scientific Advance Army Base
24. Antarctica
25. Active; Temporary; Inactive; Patrol Route

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CSO: 3348/142

TRADE MINISTER COMMENTS ON JAMAICA'S ATTITUDE

FL161442 Bridgetown ADVOCATE-NEWS in English 9 Dec 82 p 1

[Excerpt] Minister of trade and industry, Mr Bernard St John, is concerned about Jamaica's attitude towards exports from Barbados, and has promised that this country "will make a strong stand" over the matter at the upcoming trade ministers' meeting in Guyana.

Addressing a meeting of the board of the Barbados Export Promotion Corporation yesterday, Mr St John said that the Jamaican Government has been proclaiming to the world that they have made a dramatic recovery in their economic circumstances.

"If this is factual," said Mr St John, "we fail to understand why it is necessary for them still to continue to introduce procedures and policies which restrict the free trade between CARICOM," he added.

"Barbados will make a strong stand at the upcoming trade ministers' conference in Guyana over this matter," said Mr St John.

Mr St John, who is also deputy prime minister, continued: "We feel that the article in the treaty which dealt with the ability of one member country to impose restrictions on balance of payments difficulties, needs to be policed more."

"The evidence is now clear that in our opinion in Barbados, it is unjustified on the part of the Jamaican authorities to continue to use that article. They themselves have said that they have made a dramatic recovery," the minister added.

Noting the comments made by the chairman of the Export Promotion Corporation, Mr Duncan Turney, concerning the situation of trade between Barbados, and Guyana and Jamaica, the minister told of efforts which were being made to bring about an improvement.

He said that within his ministry, "we have done everything within our power to see if we can convince the governments of Jamaica and Guyana of the need to return to the true spirit of free trade within CARICOM.

He observed that the economic situation in Guyana was well known, it had been well documented, and that the country's foreign exchange constraints were still very much in evidence.

Said Mr St John, "notwithstanding that, we feel that there is need for selective trade between Guyana and Barbados, whereby we would undertake to purchase specific commodities from Guyana, and they should in turn undertake to purchase specific commodities from us."

He said that the Barbados Government was pursuing this line of action, and added, "We hope that in the new year, some progress would be made in this direction." [passage omitted]

CSO: 3298/1174

## MAS KILLING, EPL KIDNAPPING REPORTED

Bogota EL TIEMPO in Spanish 11 Dec 82 p 3-A

[Text] Bucaramanga, 10 Dec--The Death to Kidnappers Group (MAS) assassinated three farmers, whose bodies were found in the vicinity of Puerto Wilches.

The corpses, which have not been identified, clearly show signs of having been tortured, with their faces disfigured and their hands cut off.

Relatives of missing persons in the Magdalena Medio area have attempted to identify the victims, but it has proven impossible.

Government sources told EL TIEMPO that MAS may have assassinated the three individuals in Puerto Boyaca, subsequently throwing their corpses into the Magdalena River.

## Kidnapping

Yesterday, the youth Quintillo Cardozo, aged 19, was kidnapped by six EPL [Popular Liberation Army] guerrillas wearing camouflaged clothing, on the Penjamo farm in the village of Uribe-Uribe, in the jurisdiction of Sabana de Torres (Santander).

The Army reported that the rebels made a speech to the workers on the farm owned by the family of the abducted person, and urged them to join the insurgent organization. They also put forth proclamations against the government, and reiterated that they would not accept amnesty.

Upon leaving the farm, they stole a carbine, 80,000 pesos in cash and a Ford pickup truck.

2909

CSO: 3348/132

## KIDNAPINGS BY SUBVERSIVES, COMMON CRIMINALS REVIEWED

Bogota CROMOS in Spanish 9 Nov 82 pp 26-29

[Excerpt] There were 102 kidnappings in 1981. In the past 10 months, 111 have taken place, especially in Bogota, Medellin, Cali, Ibague, Bucaramanga, Neiva, Florencia and Popayan. The number of those kidnaped varies each day. Some are returned through payment of millions of pesos. Others, especially those who fall into the hands of common criminals, die in the grip of their victimizers.

In June there were 10 kidnappings (one by FARC--Revolutionary Armed Forces of Colombia--and two by EPL--Popular Liberation Army). In July, 11 (three by FARC and one by EPL). In August, kidnappings increased to 21 (four by FARC and three by M-19--Movement of the 19th). In September, 12 (three by FARC). In October, eight (two by FARC and two by M-19).

On 4 November, 21 persons were held by subversives and 20 in the hands of common criminals. The former generally take victims out of town or keep them in "people's prisons." The latter, using false identities, rent houses in different parts of the city. The place depends on the economic means of the criminal.

For those kidnaped and returned in 1981, 602,600,000 pesos were demanded. Thus far in 1982, 492,610,000 pesos have been demanded. There are also merchants who seek to avoid taxes or to solve bankruptcy of their businesses by becoming their own kidnapers. This type of crime increased in 1975. But, there are such degrading cases like kidnappings done by children of the victim through third parties for the purpose of getting money from their parents. There is a very special case in Huila, which is kept secret, and which ultimately resulted in the assassination of the perpetrator of the "initiative" in the kidnapping of his parents.

Kidnapings are divided into several categories: political, to pressure the government toward particular decisions, but without money demands, as in the case of Jose Raquel Mercado by M-19; subversive, which rebel groups do for their own financing, especially in the rural sector; extortion by criminals, committed by bands of professional kidnapers having an economic interest, mainly in the urban sector; that done by mafias, between bands of jewel thieves and drug traffickers, nearly always in revenge for nonfulfillment of their "deals."

## The Mystery About Gloria Lara

A political kidnaping? A subversive kidnaping? Common criminality? Revenge by former farm laborers on Oliverio Lara's hacienda who remained at liberty after having been convicted of her kidnaping and assassination? Did the Right do it to discredit the Left and thereby endanger amnesty? Was it the large landowners in Cauca for accusations against them in defense of Indians? Thousands of questions about the matter are being asked by investigators, newsmen and Colombians in general.

The only certainty is that Gloria Lara at this moment is alive. And proof of her being alive is overwhelming, which is encouraging. At the same time, it is suspected that she is in Bogota and that she was in a nearby town before that, according to assurances by persons who have been keeping up with latest events.

DIPEC and its 1,000 men do not overlook any clue, no matter how trivial it may seem. Intelligence with its antikidnaping group, GOES (Special Operations Group) and counterintelligence are working 24 hours a day. The state police with its investigation groups, narcotics, vehicles, technology (laboratories with chemists and bacteriologists), and statistics section, relentlessly pursue robbers and thieves of minor and major importance. Police patrols are constantly moving in and out of the urban perimeters.

To get into F-2, especially at this time, is like finding a real human hotbed. "Walkie-talkies" are never inactive, men with their brows furrowed go up and down the stairs. City maps, meticulously drawn, are consulted continuously. Meetings of police high commands are behind closed doors and no one dares go near the door. All hope to rescue Gloria Lara alive.

Since 23 July, the day of the kidnaping, investigation of this crime in F-2 is priority work, whose unusual characteristics make one doubt that it was done by rebel groups.

### Proof of Surviving

Twenty days after the kidnaping, Gloria Lara's photo arrived at EL BOGOTANO. Her face touched all Colombia. There was no anguish, just physical exhaustion and compliance, as the victimizer's tommy gun pointed to her head. "She was kidnaped by the long-suffering people subjugated by the bourgeoisie," the news item stated.

Ten days ago EL BOGOTANO received the latest proof of her being alive with an ultimatum, according to which they would kill her if the family did not negotiate. Turning over the documents to the invaders of Florencia was requested. Only now do the kidnapers speak of social vindications when the problem in Caqueta began one day before Belisario Betancur took power and when the invasion was unstoppable and the possibility of allowing the 3,000 families to stay in the area, the majority victims of violence, is being studied.



All this is what is known. But, there is much more and that is done in secret meetings by the Echeverry and Lara families, so as not to hinder negotiations.

Meantime, in some journals  
Lara is assassinated the

Persons Kidnaped by Common Criminals

13-AUG-80	NATAGAIMA (Tolima)	ALVARO MANRIQUE GUTIERREZ
15-SEP-81	SEGOVIA (Antioquia)	JESUS CASTAÑO
20-DEC-81	COCORNA (Antioquia)	CAMILO ECHEVERRY
03-MAR-82	BUCARAMANGA (Santander)	ENRIQUE HERMES PRADO
03-MAY-82	MEDELLIN (Antioquia)	JULIO CESAR SERNA GALLEG0
03-MAY-82	ARGELIA (Valle)	BERNARDO VASQUEZ SERNA
03-JUN-82	SANTANDER (Cauca)	GUMERCINDO CABRERA
16-JUN-82	BOGOTA	CARLOS JULIO CENDALES
23-JUN-82	BOGOTA	GLORIA LARA DE ECHEVERRY
23-JUL-82	CALI (Valle)	JUAN MAURICIO PADILLA
25-JUL-82	TORIBIO (Cauca)	MAURICIO CHAGUENDO HERNANDEZ
27-JUL-82	CARTAGENA DE CHAIRA (Caquetá)	PEPE CARDONA
01-AUG-82	GARZON (Huila)	RAMIRO PERDOMO
31-AUG-82	ARAUQUITA (Meta)	SAUL ESCOBAR
31-AUG-82	ARAUQUITA (Meta)	LEYDA ESCOBAR
31-AUG-82	PASTO (Nariño)	RAUL QUINTERO
17-SEP-82	FLORENCIA (Caquetá)	CESAR VANEGAS BERMUDEZ
16-SEP-82	PALMIRA (Valle)	ELIAS ESCOBAR ESCOBAR
29-OCT-82	ALCALA (Valle)	GONZALO HENAO HENAO
01-NOV-82	FLORENCIA (Caquetá)	JOSE MARIA CASTAÑO

# Persons Kidnaped by Subversive Groups

22-AUG-80	BARAYA (Huila)	GENTIL CAVIEDES	6	FARC
22-AUG-80	BARAYA (Huila)	ANA DE CAVIEDES	6	FARC
09-NOV-81	PIÑUÑA (Nariño)	JOSE DARIO CALLE C.		M-19
09-NOV-81	COLOMBIA (Huila)	GONZALO RAMIREZ		FARC
17-NOV-81	GARZON (Huila)	JAVIER RAMIREZ GUZMAN		M-19
11-DEC-81	PUERTO BOYACA (Boyacá)	CAMPO ELIAS ALVAREZ		M-19
08-JAN-82	PUERTO BOYACA (Boyacá)	HECTOR RUIZ		FARC
23-JAN-82	ARAUCA (Meta)	JOSE DOLORES MARTINEZ		FARC
27-JAN-82	LA VICTORIA (Caldas)	CARLOS SERNA CORTES		FARC
17-MAR-82	SAN PABLO (Bolívar)	MARIO VANEGAS		FARC
02-MAY-82	MACEO (Antioquia)	JAIRO DUQUE MARTINEZ		FARC
10-MAY-82	CIMITARRA (Santander)	JUAN PABLO RINCON T.		FARC
10-MAY-82	CIMITARRA (Santander)	NOE MARTINEZ		FARC
23-MAY-82	LA MONTAÑITA (Caquetá)	URIEL GUERRERO RODRIGUEZ		M-19
17-JUN-82	PUERTO RONDON (Meta)	ARIEL GOMEZ	7	FARC
27-JUN-82	PUERTO TRINIDAD (Meta)	MARCO TULIO MADRID	6	FARC
09-AUG-82	TIERRA ALTA (Córdoba)	NESTOR ENRIQUE GUERRERO	5	FARC
16-AUG-82	CANAGUARO (Meta)	MIGUEL ROJAS	5	FARC
19-SEP-82	SAN FERNANDO (Santander)	LUIS EDUARDO CARRANZA		FARC
29-OCT-82	PUERTO TEJADA (Cauca)	MARIO SALCEDO	8	FARC
29-OCT-82	PUERTO TEJADA (Cauca)	MARIO HERNAN SALCEDO	8	FARC

9908

CSO: 3348/109

## ADVOCACY OF FOREIGN INVESTMENT BY B. BETANCUR

Bogota EL TIEMPO in Spanish 3 Dec 82 pp 1-A, 16-A

[Article by Jose Ramon Nunez]

[Text] Yesterday, President Betancur cautioned the Andean Pact countries "that they are closing their borders to us": Colombia will stop making unilateral sacrifices for the sake of the integrationist philosophy, and will accept more foreign investments.

In his remarks delivered before the presidents of 10 national financial corporations which cut their interest rates in accordance with the government's tenets, the head of state stated categorically: "We want more external savings."

Colombia, which has remained faithful to the Andean philosophy insofar as the entry of foreign capital is concerned, in accordance with the demanding Decision 24, has rejected opportunities for extrazonal investment; and, although it will remain associated with the integration processes, it will give up this distrustful line of conduct.

The president noted that the socialist countries, for example, have broken many of the taboos that existed regarding foreign investments, "and we in Colombia have abundant control systems for seeing to it that they really serve the national economy, and that they do not become imperialist enclaves, but rather aid in, and do not replace national endeavor."

He also remarked that Colombian industry has been lagging in the world, because it lacks access to the new types of technology; and that this lag will not be resolved by sudden moves with exchange, "but rather by the association of those who have resources for research, and experience in international markets."

The path of foreign debt, which other countries have pursued unsuccessfully in search of economic reactivation, will not be the one adopted by Colombia to improve its development. It will act more wisely by having foreign partners who will not displace national endeavor, but rather will supplement it.

He explained: "If it is a matter of obtaining credit, we are certain that the latter will more readily come to a country that is more familiar with the international financial institutions, because they have greater investments in it, than to one in which these investments are few and small."

The president explained that Colombia would not give up the integrationist projects, "because they represent the sum of our individual weaknesses, which will lend us strength as a region."

#### And More Colombian Savings

He also announced that Colombian development would be financed largely with new national savings, and that, for this purpose, the Commission for Financial Reform and the Fiscal Commission would identify the obstacles hampering the formation of those savings, "in order to remove them."

He outlined three points in that direction:

A study will be made of long-term investments in risk capital and credit available for projects with a slow return.

The system of contingent profits will be revised.

The handling of estate assets will also be revised.

The same thing will be done regarding the use made of the reserves of the insurance companies and savings deposit institutions.

These plans are aimed at restoring the original functions to the financial corporations, which have not addressed them since they were created.

#### An Act of Hope

The president began his address to the financiers in the offices of the Industrial Development Institute (IFI), observing that his presence was an act of hope in the country's economic reactivation.

He said that, when the financial corporations were created, the country viewed them as a great source of illusions relating to the services that they would render, but that the reality proved to fall short of the expectations.

The fundamental purpose of those agencies is to serve as tools for attracting savings, and to engage in long-term investments, he recalled.

The government is ready to do whatever is necessary in this respect, through the financial corporations, based on the new theories involving the policy on savings and investment.

#### Ambivalent Reasoning

According to the chief executive, it is a case of ambivalent reasoning to think that, in the case of Colombia, based on the traditional theory, the main problem lies in the lack of savings or the dearth thereof, and in the lack of ability to mobilize and administer those funds.

He commented: "It is clear that we lack public savings and private savings, and it is also clear that we lack efficient systems for attracting and distributing them."

#### Difficulties With a Measure

He then analyzed the instance of the depressed textile industry, which either did not wish, or was unable to reform its capital, and the recent example of the financial sector, to show that his government's measure which restricted the loans of the private financial institutions was already encountering difficulties, in view of the reduced nature of the assets of these entities.

He therefore cited the need for increasing the capital of the financial institutions, so that they might be able to deal with the medium and large-scale projects that the country demands, based upon their dimensions.

He rejected alternation of the new regulation (which limits to 7 and 15 percent the amount of bank loans to a single client in relation to the assets of the financial intermediaries making them), and preferred the proposition of increasing the capital.

#### No to Monetary Expansion

He then explained that his government's economic policy would foster savings and investment, rather than monetary expansion, as a factor for the reactivation of production.

He said that money does not have magic powers, and that those who are possessed by it carry a dangerous burden, such as that borne by the sorcerer's apprentice.

In fact, he rejected that easy device as a driving force in the economic plans inspiring his government.

#### Interests: a Watchful Eye

He noted that, with this criterion, a "clearcut, but graduated" policy is being implemented in the area of interest rates, which the state itself has been cutting, so that there may be more investments.

The 27 percent level for deposits which has been set for the state credit institutions is realistic, and it is thereby intended to set an example for the private ones, so that they will make an adjustment in the same direction without traumatic experiences.

Another of his warnings was that this would be done, "with watchful eyes on their behavior."

#### The Songs of Inflation

President Betancur made it clear once again that his government rejects the "siren songs" heard among some sectors, calling for the recession to be attacked with inflationary measures.

He declared emphatically: "We shall resist those deceptive melodies, because we know that the victims of inflation are always those on the lower level, the ones living on wages, salaries and pensions."

In this way, further damage to savings will be avoided. He put forth the following rationale in this regard: "When there is inflation, people prefer to devote their income to useless investments, such as becoming rich on land, rather than to savings, or capital of business firms."

He expressed the view that the inflationary pressure being experienced by the nation's economy is, by itself, already abundant and heavy, noting that this government would avoid anything that would stimulate it.

#### Incentive for the Corporations

He gave the financial corporations the following encouraging news:

"The government has now made decisions that will stimulate the financial corporations, such as the one to facilitate their access to the liquidity of the Bank of the Republic. We are also negotiating modifications in the credit lines with the World Bank; and we are reviewing the profitability with which they are operating in their rediscounts.

"All this is only part of the far greater effort that you and we must expend, to enable the corporations to engage exclusively in development operations, with medium and long term investments and credit, by mobilizing the savings on a mass scale, and converting them, also on a mass scale, into national investment and production.

"The short term credit must definitely be an activity for other intermediaries.

"In addition to the effort in the construction industry and in the rural area, the reactivation of the economy requires supplementary efforts in the manufacturing sector. You must be the financial vehicle for attaining that goal, whereby you will justify our hopes."

2909

CSO: 3348/132

## HAVANA SEES GROWING U.S. INTERFERENCE IN GUATEMALA

PA200347 Havana International Service in Spanish 0000 GMT 20 Dec 82

["Our America" commentary]

[Text] Now that the 23 March coup enthroned Gen Efraim Rios Montt as the Guatemalan president, U.S. intervention in that Central American country has become increasingly visible, forceful and aggressive. For the U.S. Government, it is a matter of preventing the development of the popular revolutionary war that is being waged successfully throughout the country by the patriotic organizations, thus guaranteeing that the Guatemalan militarymen and oligarchy will remain Washington's unconditional allies in achieving the U.S. goal of curbing revolution in Central America and the Caribbean.

The United States is also trying to protect its economic and political interests in Guatemala, which are being seriously threatened by the intensification of the rebel forces' military operations. Washington wants to consolidate the structures of neocolonialist domination that it has imposed on Guatemala. This is why the United States turned Guatemala into a springboard for its misdeeds in Central America and the Caribbean a long time ago, imposing a special scheme for imperialist domination in that country.

In the 60's, Washington used Guatemala as the base for its attacks against socialist Cuba. It turned the Guatemalan army into a model with which to test all of its counterinsurgency tactics, including the creation of special anti-guerrilla forces, the well-known and bloody Kaibiles; the organization of many paramilitary bands, such as the death squads; and the implementation of the missing-persons policy. Prior to this, in 1954, the United States sponsored the overthrow of Jacobo Arbenz' progressive government, employing the same tactics that it later used to organize a fascist coup against Salvador Allende, Chile's constitutional president.

The U.S. interference in Guatemala includes economic intervention. In this sense, Washington has used that Central American nation to test a number of new experiences intended to achieve a model neocolonial structure to help it consolidate its economic domination. These experiences include the conversion of United Fruit Company's banana farms into so-called national farms. The same thing happened with the electrical company and the railroads, which were conveniently sold to the state as scrap iron and then presented by the latter

as acts of patriotic nationalization. With the aid of Guatemala's oligarchic classes, the United States has turned the CACM into an easy means of denationalizing the area's industries and of achieving even greater penetration by the transnational companies, particularly the American ones. Each step that the big corporations take is intended to obtain greater benefits.

The transnationals that operate in Guatemala are now awaiting the results of the army's announced final battle against the political and military forces that are currently waging a popular revolutionary war. Alongside them, the Guatemalan people are increasing their participation in the liberation struggle, because they know that this is the only serious and effective alternative by which to establish a patriotic, popular and democratic revolutionary government; or, as the Guatemalan revolutionary organizations have already explained, a government based on self-determination and international cooperation that will help to create permanent peaceful conditions in Central America and the Caribbean.

CSO: 3248/370



## HAVANA CRITICIZES CARIBBEAN BASIN INITIATIVE

PA181802 Havana International Service in Spanish 2310 GMT 16 Dec 82

["Our America" commentary]

[Text] The Finance Committee of the U.S. House of Representatives has just made important changes in the so-called Caribbean Basin Economic Initiative promoted by President Ronald Reagan.

It was reported in Washington that the committee eliminated the part of the original document which promised to lift taxes and restrictions on the Caribbean products to the U.S. market. The committee argued that this was necessary in order to dispel the concerns of the U.S. union movement regarding a possible increase in U.S. unemployment. The committee also increased the value-added tax on the Caribbean products from 25 percent to 35 percent. In this way, it eliminated the only possibility that products totally manufactured in the Caribbean had to be imported.

Another amendment specifies that in order to exempt an area from tariffs, it must have an extradition treaty with the United States and it must respect U.S. copyright laws pertaining to U.S. cultural, film and television productions.

With the new limitations, the project falls very short of the aspirations of some Caribbean governments which want to obtain benefits from the application of the Caribbean Basin Initiative which from its announcement had a marked interventionist, neocolonialist and exploitive character. Its objectives, which were announced early this year, were always very clear. Above all, the objectives were to try to stop the revolutionary process in Central America and the Caribbean, to further open the extensive field of action of the U.S. transnational enterprises, to integrate and subordinate the economies of the Caribbean countries to the U.S. economy and to try to extend the Puerto Rican model of colonial economy to all the region's states.

The so-called Caribbean Basin mainly exports basic products to the markets of developed capitalist countries; that is to say, food and raw materials. Products like coffee, sugar, bananas, cotton, cacao and bauxite are affected by unfavorable trends which further lower their prices. One of the most important factors which causes this situation is the amazing degree of control

which the transnational companies exercise over the trade of the Caribbean countries. In effect, the UNCTAD estimated in 1976--and there is no reason to believe that the situation has changed today--that transnational companies market 85 to 90 percent of the coffee, 60 percent of the sugar, 85 percent of the cacao and 90 to 95 percent of the bauxite.

It must not be forgotten that besides having considerable natural resources, the Caribbean Basin has cheap labor and is very near the U.S. market. These conditions favor the attempt to develop the so-called industrial-withdrawal process in the area. This process consists of transferring to underdeveloped countries some industries whose permanence in the United States is not advisable.

These and many other examples are eloquent expressions of the alleged contribution of the imperialist private capital to the Caribbean countries' development process and of the excellent business deals which the United States makes by taking advantage of the much vaunted magic of the free market in the countries of the area. In the end, the so-called magic disappears and turns out to be a way to profit from the sweat and energy of the workers of Central America and the Caribbean.

CSO: 3248/370

## INTERNATIONAL MARTI SEMINAR ENDS IN HAVANA

FL160126 Havana Domestic Service in Spanish 0000 GMT 17 Dec 82

[Text] With the reading and adoption of the special resolution directed against the installation of a counterrevolutionary radio station, financed and controlled by the United States, the international seminar entitled Validity of Marti Thought, concluded this afternoon, after 3 days of working sessions at Havana's Palace of Conventions with the attendance of more than 80 countries' representatives.

The final declaration of the seminar, read by Alfonso Quijada of El Salvador's FMLN, was also approved. This declaration proclaims that the validity of Marti's thought is increasingly stronger to such a degree that the democratic and anti-imperialist revolution in the continent is becoming more urgent and necessary.

U.S. Professor (Phillip Forner) read the declaration condemning the so-called Radio Marti Broadcasting Station. He said that in the face of such an offense to the name of Cuba's national hero, the seminar wishes to express its most energetic condemnation. He added that the U.S. Government's actions against Cuba constitute a flagrant violation of the inalienable self-determination rights of the Cuban people and world peace.

One of the last lectures given this afternoon was by the ambassador of the People's Republic of Poland, Stanislaw Jarzabek, who made an analysis of the subversive manipulations of Marti's ideology by imperialism against the Cuban revolution as well as of the propaganda attacks launched against the present Polish Government by five foreign radio stations. Finally, he said that only a madman can conceive hopes of counterrevolutionary success in Cuba by using a mercenary radio station, offending the apostle, history and the Cuban people.

For his part, Luis Lopez Alvarez, regional director of UNESCO, made a speech in today's last session to pay tribute to Marti. He said the Cuban people have made a great reality of Marti's statement: Fatherland is humanity.

The ambassador of the United Mexican States, Rodolfo Echeverria Ruiz, gave a lecture entitled Marti in the Novel Republic, in which he noted that as big as Bolivar, Juarez and Lincoln, repeatable Marti is hero and leader of

Cuba and America and that his ideas are bonfires that illuminate the American future.

The last activity of the seminar will be a cultural event sponsored by the Cuban Institute of Friendship with Peoples at the institution's gardens tonight.

CSO: 3248/370

## SEMINAR ON MARTI THOUGHT CONDEMNS 'RADIO MARTI'

PA162119 Havana International Service in Spanish 0000 GMT 16 Dec 82

[Text] The U.S. decision to set up Radio Jose Marti, a station directed against Cuba, was condemned once more today at the second session of the International Seminar on the Validity of Marti Thought, which is currently being held here in Havana with 400 participants. The messages sent by Gilberto Vieira, secretary general of the Communist Party of Colombia, and by Juan Bosch, Dominican intellectual and former president, were read during the morning sess-on.

A similar view was expressed by Nguyen Huu Ngo, the Vietnamese representative at the seminar, who underscored the Cuban National HEO's feeling of solidarity with Vietnam, a people to whom he paid tribute in his book "The Golden Age."

Another of the speakers during the second day of work was Alfonso Quijada (URIA), member of the FMLN's representation in Cuba. Quijada (URIA) stressed Marti's deeply anti-imperialist feelings. Marti, he said, was a man who gave the most authentic legitimacy to our Latin American identity.

For his part, well-known Soviet scholar (Aleksandr Robutsov) said that Marti wrote one of the most important pages in the history of mankind through his unyielding defense of the genuine interests of the oppressed masses. At a news conference held here in Havana, (Robutsov), who is also an adviser at the rector's office at the University of Havana, said that the Cuban national hero's work is carefully studied in his country, particularly his political thought and the important works he wrote on Spanish philology. After underscoring the importance of the issues discussed at this seminary, he said that the large number of participants shows the great esteem that those fighting for independence and full national freedom in this hemisphere feel for Marti.

CSO: 3248/370

'BOHEMIA' GIVES RATIONALE FOR FORMAT

Havana BOHEMIA in Spanish No 44, 29 Oct 82 p 80

[Article by Ricardo Villares]

[Text] Why isn't the index on the first page? Why does it appear on the inside pages? This question, asked by Arselio Viltres of La Sierrita de Narva, Granma Province, is asked by many BOHEMIA readers. Viltres puts the question as follows:

"Many persons ask themselves that question and they say that logically the index should be on the first page so that one might know at once the contents of the magazine.

"When we buy BOHEMIA, first we look at the cover and ask ourselves: What does it contain? What will they tell us? What are they doing? Is it pretty or ugly? We can cite some examples:

"In BOHEMIA No 32 there is a building. Many readers here, when they saw it, thought it was a hotel, some thought it was an apartment house and, another--I know--thought it was a building abroad.

"In BOHEMIA No 33 there is a woman athlete with a javeline. Most people thought she was Maria Caridad Colon but some doubted it and argued about it.

"In BOHEMIA No 31 there is a festive scene on the cover. Although many recognized it to be of the National Folklore Group there were some who argued that this was a Haitian dance group.

"Because of these differences of opinion, my questioners and I agreed to make the suggestion that from now on the index should appear on the first page--just as the identification of the front cover did in previous years.

"In this way, one would find out from the outset what is on the cover and what is inside the issue without having to leaf through the magazine up to page 37."

We greatly appreciate these opinions because of their critical analysis and the information they give on the reading habits of this magazine in a village

in the municipality of Bartolome Maso and also because of the desire to make suggestions "to make the publication more attractive" as our readers point out in a constructive and fraternal spirit.

In the case of BOHEMIA, the index is placed on page 37 out of an objective and concrete necessity. This is a 100-page magazine, 4 pages of which are the covers and 96, inside pages. Each section goes outside the following one. Section one consists of pages 3 to 18 and 83 to 98, section two of pages 19 to 34 and 67 to 82 and section three of pages 35 to 66, the middle pages of the magazine. These sections are sent to press one at the time. The first section contains material of general interest, put together well in advance, taking into account how long the publication will be delayed due to the printing. The second sheet closes nearer to the date of distribution of the magazine but still some days in advance. The third is the last to be printed, nearest to the date of distribution of the magazine, and is reserved for subjects of immediate interest.

For this reason, the index inevitably must be in the last section of the magazine to be printed, that is, in the middle pages. That is why it is on page 37. The reader is informed of this on page 3, the first of the inside pages opposite the front cover.

Besides—perhaps due to a variety of reasons or needs—in the vast majority of the principal weekly or monthly publications of the world, it will be found that either they do not contain an index or it is placed on inside pages after a series of ads or they place it at the end or in the middle pages.

In the case of BOHEMIA, about to complete 75 years of weekly publication--almost 4,000 issues--it has published an index only sporadically. During the 1950's, the index was in the EN CUBA section in the middle pages. At present, as is always indicated on page 3, the index is on page 37 along with the credits for the front cover and the masthead (identification of the periodical, the issue, number and date, and the names of those mainly responsible for its management).

On this page with the index and the masthead there is also the subject of the front cover and the name of its creator.

The photo on the front cover of issue No 33, for example, shows the new Centro-Habana hospital, as was pointed out in the masthead-index on page 37 of that issue.

9204

CSO: 3248/280

## SOVIET ECONOMIC VICE COUNSELOR DISCUSSES COOPERATION IN WORKER TRAINING

Havana VERDE OLIVO in Spanish No 45, 11 Nov 82 pp 12-13

[Interview with Sergey A. Sokolov, economic vice counselor at the Soviet Embassy in Havana, by Manuel Buendia; Havana; date not specified]

[Text] The Communist Party of Cuba [PCC] and the Cuban revolutionary government assign great importance to the training of skilled Cuban cadres. In this respect the Soviet Union has granted us valuable technical assistance. In the context of the 65th anniversary of the Great October Socialist Revolution and the 60th anniversary of the founding of the USSR, the editors of VERDE OLIVO wished to interview Sergey A. Sokolov, economic vice counselor at the Soviet Embassy in Cuba, regarding this aspect of Soviet-Cuban cooperation.

Question: Which is the Soviet organ that deals with the training of skilled personnel and what kind of relations do you have with your Cuban counterpart?

Answer: The State Committee of the USSR for technical and professional education is the central organ in charge of this field. In 1980 the Cuban Ministry of Education and the above-mentioned Soviet State Committee approved the cooperation plan for technical and professional education for 1981-85. This document spells out the prospective cooperation procedures for development and improvement in the training of skilled Cuban workers. In the context of the cooperation plan, joint pedagogical research is under way, as are the exchange of informative literature and other materials, of instructional materials, educational programs, and resources. The State Committee of the USSR for technical-professional education gives its support through the supply of manuals for technical courses and sends Soviet advisers to provide appropriate assistance to the branches of the Cuban Ministry of Education and to the centers for technical and professional education.

Not so long ago a new form of cooperation was initiated. The latter consists in the organization of proficiency courses for the instructional



personnel involved in technical and professional education. These courses teach new techniques, the organization and methodology of education for production. The initial results are positive and open clear horizons for the future. I would like to add to this that over 100 Cubans were trained as instructors in production and nearly 100 instructor workers have taken the proficiency courses. The instructional centers will have an annual enrollment of 120 Cuban students in the coming year.

As regards the relations between our educational organs, it may be said that they are very close, diversified, and include participation at international meetings looking into the problems of technical and professional education, the dispatch of delegations at various levels, consultations, and the exchange of experiences in the training and proficiency of Cuban skilled cadres.

Question: How is the cooperation developing between our two countries in the training of skilled workers?

Answer: First of all, I would like to stress that the development of all sectors of the Cuban economy depends a lot on the training of skilled personnel. And now, a little bit of history. Our initial cooperation in the training of skilled cadres began to grow in the year 1961 when steps were taken to create in the Republic of Cuba instructional centers for technical and professional education. Simultaneously in 1961-64, over 3,500 Cubans were trained as skilled workers in such necessary specialties as operators of agricultural equipment, fishing trawler mechanics, chiefs of production brigades, and so on.

During the past few years, with Soviet assistance, 86 instructional centers were inaugurated for technical and professional education endowed with adequate training equipment and materials. Besides, a number of Soviet technicians have come to Cuba to cooperate with their Cuban colleagues in organizing the instructional staff at workplaces. Among them one may mention, for example, the "Cuban-Soviet Friendship" vehicles repair plant in Havana, the Andres Gonzalez Lines fishing school, the Calixto Garcia agricultural and livestock raising center in Holguin, the Juan M. Castineiras power production centers in Mariel, the polytechnic center of the Cienfuegos electric-nuclear power station, and so on. As a result of this, at the instructional centers opened with Soviet assistance, over 46,000 skilled workers and technicians have been trained.

Question: How do you view the present stage of bilateral cooperation in the said sector?

Answer: One of the important tasks of the educational sector is to assign in time skilled manpower to industrial projects under construction. With such goals the future plans for the present 5-year period have been drawn up. Among the centers which have such plans I can cite the Jose Marti Iron and Steel Enterprise, the sugarcane combines plant in Holguin, the Santa Clara mechanical plant, and others.

To establish new technical and professional instructional centers at on-going construction projects, say, the polytechnic center of the Cienfuegos electric-nuclear power plant, a series of proposals and measures intended to strengthen the material base of existing centers has been drafted to train Cuban personnel in the process of selecting and assembling technical equipment. Because of the pertinent measures taken in the textile industry, seven enterprises in whose rebuilding the Soviet Union is participating have their manpower secured, a fact which has made it possible to create conditions to organize the work in three and four shifts. At the Ariguanabo textiles instructional center, the training of 320 workers is under way for the Santiago de Cuba textile combine.

I would also like to note that the problem of education and proficiency of Cuban cadres, among them of skilled workers and technicians, constantly assumes greater importance for this developing country. Presently, in the context of the national system of technical and professional education, there is a total of 292 instructional centers, among them 110 technical institutions, where more than 276,000 students are enrolled.

I believe that these are impressive statistics.

Question: Comrade Sokolov, can you mention an example that would serve as evidence of Soviet-Cuban cooperation in the sphere of technical-professional instruction?

Answer: I would like to exemplify my answer with the fishing industry. Everyone knows that the cooperation between our two countries also includes the training of skilled Cuban personnel for this industrial sector. The problem is not easy, but it is being resolved by various means. In 1963, 200 Cubans were sent to the Soviet Union to study, individuals slated to be future chiefs and skilled workers in the fishing port of Havana. They learned 62 occupational skills. Together with instruction in theoretical classes such as the economics of the fishing, electronics, and other matters, they also acquired practical skills in welding, carpentry, the handling of gantry cranes, processes in administrative work involving the port, and other activities. Their study base was the fishing port of Kaliningrad.

Other details are also worth mentioning. In 1968-79, in the intermediate and advanced instructional centers of the Ministry of Fish Industry of the USSR, 300 Cubans were trained for specialties in engineering, ichthyology, and economics.

Question: What is your opinion of the prospects for cooperation between our countries in the sphere of training skilled manpower?

Answer: In the course of the Second Five-Year Plan it is projected to train at technical and professional instructional centers 375,000 specialists while in the First Five-Year Plan 163,000 were trained. To secure this plan there is a project to build in 1981-85 and to complete with equipment supplied by the USSR 36 new instructional centers. Accordingly, by 1985

Cuba will have a total of 321 technical and professional instructional centers which will provide the training of skilled personnel for the Cuban economy for the period until 1990.

The resolution by the Second Congress of the Communist Party of Cuba stresses educational policy and notes: "Technical and professional training will continue to increase its enrollment and graduates in the next 5-year period, which will make it possible to have young technicians at the intermediate level and skilled workers trained professionally for the present and future needs of the nation's economic development and which will make it possible to expand internationalist aid to fraternal nations at the same time."

I do not have any doubt that the Cuban people will fulfill these important directives. In turn, the peoples of the Soviet Union, who this year celebrate two glorious patriotic dates, will step up their efforts to contribute to the accelerated development of the Cuban national economy and to enhance through this the friendship between the Republic of Cuba and the Soviet Union.

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CSO: 3248/314

## ARMED FORCES COMMEMORATE SOVIET ANNIVERSARY

## Main Ceremony

Havana VERDE OLIVO in Spanish No 45, 11 Nov 82 p 53

[Article by Juana Carrasco]

[Text] The main function of the Revolutionary Armed Forces [FAR] to commemorate the 65th anniversary of the Great October Socialist Revolution was held in the Universal-FAR Hall and was chaired by Div Gens Senen Casas Regueiro, first deputy of the minister of the FAR, and Sixto Batista Santana, head of the FAR's central political directorate, both of them candidate members of the Politburo [of the Communist Party of Cuba]; Col Gen Vladimir Konchitz, principal [Soviet] military adviser at the Ministry of the Revolutionary Armed Forces; Navy Capt Guennady Mikhailov, military, naval, and air attache at the Soviet Embassy; as well as by other generals, chiefs, and officers of the FAR and Soviet military advisers.

On making his address in the name of the chiefs, officers, sergeants, sailors, and soldiers to hail the historic date, Div Gen Ulises Rosales del Toro, member of the Central Committee and first deputy of the minister of the FAR, chief of the general staff, underscored the importance of the events which began on 7 November 1917, events which had an impact on the destinies of all the peoples of the world.

In his narration of the years of decisive struggles and intense efforts realized by the Soviet people from the time of the Great October Revolution, he mentioned the vanguard character of the Communist Party of the Soviet Union [CPSU] which has consolidated the best and most determined among the working class and the peasantry. And he noted the fact that the most important event of the 20th century was initiated under the symbol of peace, the wish of humanity.

In this respect he said that the USSR has been faithful to this Leninist legacy which highlighted the idea of peaceful coexistence as the major principle of the socialist revolution, contrasting with the adventurism of the United States administration and its accomplices.

The FAR's chief of staff stressed that the Soviet Union, converted through the creative effort and perseverance of its people into the powerful state that it is today, does not merely evidence the infinite possibilities of communism and contribute to the potential progress of socialism but also provides a steady helping hand for whoever is struggling for national liberation and for those taken with peace, in addition to being a powerful shield for the defense of socialism in the face of the warlike claims of imperialism threatening the destinies of humanity.

Div Gen Rosales del Toro noted the militant solidarity of the Soviet people and their armed forces with Cuba's struggle and again expressed Cuba's gratitude to the Soviet Union which has granted us the valuable means for Cuba's defense and for the Soviet specialists, without whose advice the high caliber of Cuba's armed forces could not have been attained.

Speaking on behalf of Soviet military specialists was Lt Gen Dimitriy F. Turanskiy, who expressed thanks for the warm and earnest comments made about the Soviet Union and the Great October Socialist Revolution whose achievements over 65 years are a subject of pride for the Soviet people.

He denounced the efforts of the reactionary forces and especially the United States to impose their dictates on peoples and mentioned in this connection their aggressions against the Palestinian people in the Middle East; the genocidal war of the counterrevolutionary bands in Afghanistan and Kampuchea; the attacks against Mozambique, Angola, and Ethiopia; their efforts to hinder the advent of Namibia to independence; the aggressions against Nicaragua; the imperialist policy in Central America and Latin America; and the attacks against Cuba--all of these being events that happen because U.S. imperialism promotes and sustains them.

He said that the Soviet communists maintain as an important principle the Leninist maxim that the unity of the aggressive forces of imperialism must be countered with the superior unity of proletarian internationalism and gave as an example the solidarity of his country with other nations and especially the friendly and cooperative relations which link Cuba and the USSR.

The singing of the "International" by the attending Soviets and Cubans closed the commemoration of this function organized by the FAR as a summing up of the numerous events staged by our armed forces to hail the glorious October Revolution.

#### FAR Academy Fete

Havana VERDE OLIVO in Spanish No 45, 11 Nov 82 p 54

[Article by Mario Rodriguez]

[Text] On the occasion of the 65th anniversary of the triumph of the Great October Socialist Revolution and the 60th anniversary of the founding of the USSR, there was recently held at the General Maximo Gomez Academy of the

Revolutionary Armed Forces a theoretical discussion whose goal was to explore the importance and the historical significance of both events.

The function which was chaired, among others, by Navy Capt Eladio Calvo Gonzalez, candidate member of the Central Committee of the Communist Party of Cuba and deputy chief of the FAR's central political directorate, centered around the central paper and four subsidiary papers broaching with scientific rigor various aspects distinguishing the major historic significance of the world's first socialist revolution.

The opening remarks were made by Col Ibrahim Alfonso Victorero, head of the agit-prop [agitation and propaganda] directorate of the FAR's central political directorate, who singled out the importance of the discussion and its usefulness from both a theoretical and a practical viewpoint.

On reading the central paper of the function, "The Triumph of the Great October Is the Major Event of the 20th Century and the Beginning of a New Era in World History," Brig Gen Manuel Fernandez Falcon noted how the victory of the Great October Socialist Revolution marked the start of the most far-reaching revolutionary transformation process in the history of humanity so far.

"This is how the era of socialist revolutions and the struggle of colonized and oppressed peoples for their liberation from imperialist rule began, the era of the struggle for the definitive ending of wars among peoples," the speaker noted. Later he added:

"It is for that reason that the Great October Socialist Revolution is not an exclusively Russian phenomenon; it is not a revolution limited to a national framework alone as the defenders of decadent capitalism strive to make peoples believe. Before everything else, it represents a phenomenon which has far-reaching international repercussions, which marks a radical turn in the course of universal history: The changeover from the old world of capitalist exploitation to the new communist society."

Brig Gen Fernandez Falcon referred to the historic inevitability of the triumph of socialism at the world scale, to the most important objective laws that determine its development, and the teachings that the Great October has given us. He noted its influence in our revolutionary process in this manner:

"Even Cuba, a small and underdeveloped country, located in the immediate backyard of the greatest imperialist power of our times, heard the victorious sounds of the Great October Socialist Revolution. Under the inspiration of that example the first Marxist-Leninist party was created. The revolutionary ideas of Marx, Engels, and Lenin, put into effect by the first victorious socialist revolution, held an irresistible force of attraction and extraordinary value as ideological weapons for the interpretation of the acute problems afflicting neocolonial Cuba and inspired the action of the Cuban revolutionaries."

The subsidiary papers on the themes "Materialization of the Leninist Plan of Socialist Construction in the USSR," "Leninist Theory on the Defense of the Achievements of the Revolution and Their Development Under Contemporary Conditions," "The Cuban Revolution Is the Continuation of the Work of the Great October," and "The 26th Congress of the CPSU [Communist Party of the Soviet Union], an Important Stage Toward Communism," helped to enrich the scientific analysis regarding the effectiveness and importance which, from the universal viewpoint, the triumph of the Russian proletariat in 1917 has had and continues to have.

On summing up the function Navy Capt Eladio Calvo stressed the positive aspect of the gathering and its significance as a worthy homage of our people and their Revolutionary Armed Forces to the heroic Soviet people.

"From the kindly Soviet Union we have received at all times unselfish and friendly aid in the evolution of our socialist revolution," he said.

"This discussion has allowed us to probe the history of the Soviet Union with strict scientific rigor while it has made it possible to stress the true historical importance of universal scope which the Great October Socialist Revolution enjoys."

After emphasizing the value of the discussion regarding the role played by Vladimir I. Lenin in the promotion of the first workers' and peasants' state in the world, the policy of peace and detente advocated by the USSR, its example in militant proletarian internationalism and the vitality of the Leninist doctrine on the defense of the socialist homeland, the deputy chief of the FAR's central political directorate said:

"Before concluding I would like to highlight an indisputed fact: The first socialist revolution in the world and the first socialist revolution in the western hemisphere have been and will continue to be in harmony forever."

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CSO: 3248/314

## HAVANA ON RAUL CASTRO'S DECLARATION OF USSR ACADEMY

PA202047 Havana International Service in Spanish 1600 GMT 20 Dec 82

[Text] In Moscow today, Raul Castro, second secretary of the Cuban Communist Party Central Committee and first vice president of the Councils of State and Ministers, awarded Cuba's Antonio Maceo Order to the K. Ye. Voroshilov Military Academy of the Soviet armed forces general staff for its meritorious training of military cadres belonging to the Cuban revolutionary armed forces.

On awarding the decoration, Gen Raul Castro said that the relations between Cuba and the USSR are characterized by close cooperation, which is a magnificent example of mutual respect and equality of rights.

Raul Castro added that many high-ranking Cuban military officers were trained at the Voroshilov Academy. He emphasized that their excellent training made it possible for them to make an essential contribution to the enhancement of the country's defensive capability.

Raul Castro is leading the Cuban delegation that is participating in the official activities underway in the Soviet capital marking the USSR's 60th anniversary.

CSO: 3248/370



## NICARAGUA ON UN SECURITY COUNCIL SEEN AS U.S. DEFEAT

Havana BOHEMIA in Spanish No 44, 29 Oct 82 p 64

[Commentary by Jose Luis Ponce: "United Nations: Washington's Defeat"]

[Text] Nicaragua's overwhelming victory in obtaining a place in the UN Security Council, in spite of the opposition of the United States is one of the most striking actions of the UN General Assembly, which has been in session for over a month.

The election, which was surprisingly quick in the opinion of observers here, was a serious defeat for U.S. diplomacy which for months had been campaigning both at the UN and in several capitals to prevent Nicaragua from being chosen.

Thus the people of Nicaragua received the support of the international community in the face of threats of aggression on the part of the United States.

Nicaraguan Foreign Minister Miguel D'Escoto described the election of Nicaragua as an overwhelming defeat for the United States, a clear victory for the Non-Aligned Nations Movement and a victory for Latin American unity.

In fact, the support of the Non-Aligned Nations Movement, of which Nicaragua is a member, is a very important contributing factor to the Nicaraguan victory.

The members of the Movement, who constitute two-thirds of the UN member nations, held a foreign ministers meeting in the UN Building at the beginning of October to coordinate their stands on the most important items being considered by the UN General Assembly.

One of the points to which they gave special attention was that of the support they should give Non-Aligned countries seeking posts in the UN bodies, especially in the Security Council.

The foreign ministers also agreed to hold a special ministerial meeting in Managua, capital of Nicaragua, in January 1983 to examine the deterioration of the situation in Central America and the Caribbean.

In the final document which they adopted they pointed out that there is an increase of tensions in that area "due to the strengthening of the U.S. policy of colonialism, imperialism, aggression and intervention."

"That situation," says the communique, "worsened after the approval last August of the Symms amendment on the holding of destabilizing maneuvers against Nicaragua, Grenada and Cuba."

At the same time that they thanked President Fidel Castro for the successful completion of the consultations leading to the holding of the Seventh Summit Meeting, they set 7 through 10 March as the date for holding the conference in New Delhi, capital of India.

The foreign ministers reviewed the main international problems thoroughly and rejected the attempts by the United States and South Africa to link Namibia's independence with the withdrawal of the Cuban internationalist troops now in Angola.

They also sent messages to the governments of Iran and Iraq requesting that they avoid actions which might escalate the conflict which for more than 2 years has devastated those two Non-Aligned Nations members.

The situation between Iran and Iraq has also been taken up at the UN General Assembly which passed a resolution expressing the need for an immediate cease-fire and the withdrawal of forces to the internationally recognized boundaries as a preliminary step in the peaceful solution of the conflict.

However, Iran did not approve this document. Cuba and 14 other nations abstained from voting either because they are directly involved in efforts of other groups to end that war or because they felt it more appropriate for them to remain neutral on this subject.

Cuba, along with Zambia, India and the PLO, is a member of a ministerial mediation commission of the Non-Aligned Nations Movement which is seeking a peaceful, political, just and honorable settlement of the conflict.

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CSO: 3248/280

## BRIEFS

INTERNATIONAL SEMINAR OPENS HERE--The international seminar titled "Validity of Marti Thought" has been opened at Havana's Palace of Conventions with some 200 delegates attending. The seminar, which will hold sessions until 16 December, was sponsored by the Cuban Institute of Friendship with Peoples. The seven working sessions will be chaired by the presidents of Cuban Friendship Associations with other countries. The seminar will deal with the works of our national hero and its validity in our time. [Text] [FL141855 Havana Domestic Service in Spanish 1700 GMT 14 Dec 82]

GUATEMALAN CONFEREES'S PRESS CONFERENCE--[Passage omitted] During yesterday's sessions of the International Seminar on the Validity of Marti Thought [underway at Havana's Palace of Conventions], two press conferences were held, one by (Aleksandr Rubtsov), advisor to the University of Havana Rectorate, and the other by Guillermo Toriello, Guatemalan foreign minister under the Jacobo Arbenz administration. In his press conference, Toriello stressed that Guatemala is a key point in the Yankee imperialists' Central American strategy and therein lies the Reagan administration's interest in supporting the regime of Efraim Rios Montt. He also stressed the danger of the Guatemalan Government ties with the Zionists of Tel Aviv who have supplied Rios Montt's troops with a modern military arsenal. [Text] [FL161345 Havana Domestic Service in Spanish 1100 GMT 16 Dec 82]

INDUSTRIAL DESIGN CONGRESS CLOSES--Armando Hart Davalos, member of our party politburo and minister of culture, has closed the Second Congress of the Latin American Industrial Design Association--ALADI--which held sessions for 4 days at Havana's Palace of Conventions. The closing ceremony was presided over by Jorge Risquet, member of the politburo, Vilma Espin, alternate member of the politburo and president of the FMC [Federation of Cuban Women], (Ivan Espin), ALADI president, (Romulo Polo), former ALADI president, and the rest of the ALADI Executive Committee. [Text] [FL141905 Havana Domestic Service in Spanish 1700 GMT 14 Dec 82]

RATIONAL USE OF ENERGY--Pedro Miret Prieto, member of the Politburo, has emphasized the importance of energy conservation during the first technological and scientific seminar on the rational use of energy sponsored by the Ministry of Basic Industry which was held during the agricultural fair in Rancho Boyeros. [Text] [FL171516 Havana Domestic Service in Spanish 1335 GMT 17 Dec 82]

SRV COOPERATION AGREEMENT--In Hanoi, representatives of the Cuban and Vietnamese Chambers of Commerce have signed a working plan for the 1983-1984 2-year period, the working plan is based on the bilateral agreement finalized in Hanoi on 8 December and has an unlimited period of duration. It provides for the exchange of publications, information and international arbitration, among many other aspects. [Text] [FL142143 Havana Domestic Service in Spanish 2125 GMT 14 Dec 82]

CSO: 3248/367

## AGRICULTURAL LAND REFORM DISCUSSED BY UPP

Pointe-a-Pitre FRANCE-ANTILLES in French 28 Oct 82 pp 1, 4

[Text] Prepared under the auspices of the secretary of state responsible for overseas departments and territories, Paul Dijoud, agrarian reform is being applied by Henri Emmanuelli and the socialist-communist government.

This reform is far from arousing enthusiasm and unanimous support among the farming people of Guadeloupe. For example, voices have been heard saying: "Be careful of making mistakes and hurrying too much!"

Our paper today publishes the text of an open letter which the Union of Poor Farmers of Guadeloupe [UPP]--the most powerful agricultural trade union on the island--sent to Henri Emmanuelli and to the various authorities in Guadeloupe. The text is as follows:

Ladies and Gentlemen: The seriousness of the situation facing our agriculture and more particularly the growing of sugar cane, which is affected by the agrarian reform, leads us to raise this matter with all those who have the task of deciding the economic future of Guadeloupe at the highest level.

The hope which farmers growing sugar cane had of owning their own land on which to develop our agriculture today is turning into dismay and even into confusion. We support their concerns and wish to do everything possible to avoid the disaster which threatens our sugar cane based agricultural economy.

To emphasize the legitimacy of our efforts, we would like to remind you of the main lines of the agrarian reform as they were developed by all concerned. We wish to emphasize the mistakes and other errors to which the agrarian reform has been subjected. Finally, we propose reflecting on an approach to the question which would make it possible to set out in more orderly form the economic and sociological realities affecting our rural areas, to ensure that the basic decisions and fundamental directions of the program are not compromised or weakened in the crucial phase of detailed implementation of the agrarian reform.

Between 30 April 1980 and 26 June 1981 the Technical Committee and the Supervisory Committee developed "the Overall Outline for the Agrarian Reform." After

the beginning of July, 1981, the main lines of the overall outline were re-examined and made more specific on numerous occasions. They were expressed in a document published in April, 1982, under the joint auspices of the DDA and the CNASEA (Guadeloupe) [as published; expansions unknown] with the title: "Principal Guidelines Approved by the Supervisory Committee for the Agrarian Reform."

#### Application of the Agrarian Reform: Delays

During the meeting of the Supervisory Committee on 16 April 1982 it was noted that the reform program was marking time and that the SAFER [Real Estate and Rural Development Company], which was charged with its application, had not, up to that point, actually applied it anywhere. On the same day the government decided to place the agrarian reform under a permanent technical organization made up of civil servants. Since that date it is this organization, which is impossible to contact and is made up of a variety of elements and over which the farmers have no influence, which is carrying on the various operations. Regarding the Supervisory Committee, a body made up of representatives of the farmers, elected representatives of the people, and government officials, it was effectively put up on the shelf, as a consequence.

The slowness noted in the application of the agrarian reform was succeeded by a phase of excessive haste in its implementation, putting in question the viability of the various activities. At Sainte-Rose, Morne-a-l'eau, Petit-Canal, and Moule farmers were settled on parcels of land covering 7 to 10 hectares. Most of these parcels of land were either already planted to sugar cane or had been fully prepared for sugar cane planting. How can a farmer go from a 1 hectare farm to a 7 to 10 hectare farm without previous preparation and without capital to operate it, when he will be required to rely on paid workers? What are his chances of surviving, when he won't be able to obtain any return from his work for 18 months?

Furthermore, the rental rate for land of about F 1,200 per hectare, which is demanded by the SAFER, has no relationship to the low price level of a ton of sugar cane.

Under these conditions the agrarian reform is on the road to failure which will be caused by those very persons who are charged with applying it.

Elsewhere, Kotas announced on 2 September 1982, in the name of the government, the establishment of the Guadeloupe Agricultural Land Savings Society (SEFAG). SEFAG is to insure the titles to land under the agrarian reform and will see to the establishment of Agricultural Land Groups (GFA). We would like to comment that a solution involving the establishment of GFA's, whose total number will be about 100, threatens to present us with a disagreeable surprise one day. In fact, it is failing to show economic realism to believe in a massive mobilization of private savings in Guadeloupe for such a kind of investment. Furthermore, we must make clear that the agricultural profession has already shown its deep fear of such a hazardous kind of activity.

## The SICA's; Under Pressure

Originally conceived to emphasize the "direct approval" of the SAFER prior to any cession of land, the SICA's [agricultural credit enterprises] have not been able to carry out their economic mission. However, they have made a noticeable effort to reorganize and rationalize their work through the establishment of the Union of SICA (USICAG) Companies of Guadeloupe. In fact, the SICA's have broken down under the double weight of pressures and of the unfavorable economic situation. The social heritage of the SAG and of the SAUB [as printed; expansion unknown] was not assumed by Guadeloupe society as a whole. Thus, the just claim to a right to work by agricultural workers has been a source of continuing conflict which the SICA companies have had to handle by themselves.

Furthermore, the excessive centralization and authoritarianism displayed by the SAFER has made it possible for the latter, with the government standing behind it, to impose unconscionable contracts on the SICA's, both in terms of precarious rentals of land as well as in terms of the rental of equipment often unsuitable for the needs of the SICA's.

It should be clear to everyone that the deficits suffered by the SICA's are due to their structure and therefore cannot be blamed only on the men who have presided over them. It is also appropriate to emphasize that the price of a ton of sugar cane has always been less than the cost of production of even the best-performing farms.

Therefore, the interministerial decision of 22 July 1982 limiting the responsibility and the field of activity of the SICA's, as well as the recent decision by the FORMA [Fund for the Organization and Regulation of Agricultural Markets] to end its subsidy of the administration of the SICA's, have dealt the final blow both to the SICA's as well as to the Union of SICA's itself.

Beyond the 1983 sugar harvest, which is already seriously affected, it is the credibility of the agrarian reform which is involved. We should recall that neither the farmers nor the SICA's were consulted regarding this change of policy decided on by the government.

## Don't Overturn the Basic Structures of the Rural Sector

Of the 11,000 hectares of land covered by the agrarian reform, 7,600 hectares (more than two-thirds) are legally occupied by 2,214 share-cropping farmers. That is also an essential fact which should guide us in the type of agrarian reform to be undertaken. If the reform has the objective of being a large-scale economic effort, it should necessarily also have a human and social dimension. In terms of its substance, this is a matter of restructuring the present family farms to provide them with a viable economic role to play. So that this effort will have the best chance of success, it would be advisable not to overturn the structure of the Guadeloupe rural sector. Thus, the economic application of the reform depends on the accompanying social measures. It is not out of the question that in certain cases the accompanying measures

should precede the application of the economic measures. Therefore, it is the whole methodology of the reform which must be reconsidered.

The UPG [Guadeloupe People's Union] will not associate itself with any program which over the long term will end in the dismantling of the rural economy of Guadeloupe. That is why it appears essential and urgent to take action in the following directions:

--An immediate halt to agrarian reform activity now being implemented;

--The holding of an extraordinary meeting with farmers' organizations, elected representatives of the people, and government officials on the application of the agrarian reform;

--The creation of a permanent organization responsible for the application of the reform. This organization should include the SAFER, farmers' organizations, elected representatives of the people, and government officials;

--The preparation of a plan for the development of the lands already directly approved by the SAFER, before they are turned over to anyone else;

--The need to assign the preparations for and the conduct of the 1983 harvest, now in the hands of the FVD SSAEER [as published; expansion unknown], to a responsible organization. This organization would have to enter into a social dialogue in the immediate future with trade unions of salaried workers, transportation firms, and the CUMA [as published; expansion unknown].

We hope we have provided you with information on the concerns and also on the hopes of the Guadeloupe agricultural world. Now it is for you to take them into consideration.

For the UPG Executive Council: Adrien Mounien (Montauban, 97129 Lamentin).

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## PRESIDENT RIOS MONTT DISCUSSES ADMINISTRATION

Mexico City PROCESO in Spanish 25 Oct 82 pp 32-37

[Report on interview with President Efraín Ríos Montt of Guatemala, at Government House, by Carlos Marin; date not given]

[Text] Guatemala--Efraín Ríos Montt claims that reports of killings of civilians at the hands of his army are "a vile lie."

The Guatemalan people, he says, are at peace. "We have a lot of peace; we understand what peace is."

Until 23 March 1982, when he assumed the presidency of the republic in a coup d'etat--"in which I personally did not take part"--he admits that "the guerrilla groups enjoyed strong support among the rural population, because previous administrations had turned their backs on the peasants' needs and managed to intimidate them."

Today, he says, those peasants find "an understanding government and army," with a program "which immediately guarantees them security, food, shelter and work."

His government calls this program "Guns and Beans," according to the memorandum that accompanied the interview with PROCESO.

The conversation took place in a large room in Government House, a few steps from the presidential palace, buildings guarded by apprehensive adolescents outfitted for the tropical war in camouflaged uniforms spotted with various shades of green to enable them to pass through thickets and brush with machineguns and pistols--tulips with green berets, keeping special watch over all access routes, patios, hallways and bathrooms.

As an endorsement of his denial of the charges of macabre operations perpetrated by the Guatemalan army, charges which have the "candid support" of several sectors, such as Amnesty International--"one of the organizations which collaborates most with the guerrillas and subversives"--the general uses a recent statement by Ronald Reagan's under secretary of state, Thomas Enders, which "demonstrates that all the accusations made against the Guatemalan Government are false."

He also offers himself as a guarantee, emphasizing each denial:

"I am the commanding general of the army, and I do not lie; I do not steal, and I do not abuse anyone."

To refrain from lying, stealing and abusing one's authority is the oath "that represents the basic principles of the present administration," explained Health Minister Adolfo Castaneda Felice to the local press, proudly displaying the metal emblem of a hand with three fingers raised which is worn as a countersign by all the close collaborators of Efraín Ríos Montt, who, in the interview, added another virtue:

"I do not kill."

"But there are reports that..."

"And I have explained to you what I know. And I do not lie, because if I lie, I lose authority, and I have that authority because I do not lie."

"General, in the refugee camps in Chalatenango the survivors relate how your army has destroyed villages and crops and killed the men. Are these refugees lying, or are they telling the truth?"

"It may be true; but since 23 March we have not done anything like that."

"The stories surfaced just a few days ago."

"It could be true. But since 23 March (his eyes are fixed and his tone energetic) nothing like that has happened here, and I am telling the truth."

"If it is not true that 2,600 civilians have been murdered in the last 7 months, as Amnesty International reported in September, is it also untrue that villages and crops are being burned?"

Ríos Montt bends his look on the reporter and answers, measuring each word, at the same time raising his arm as if on an imaginary bible.

"Since March, I swear, I have never ordered any burning."

For Ríos Montt, who took over the presidency "to save Guatemala from corruption, from a continuation of the status quo, from electoral fraud and from the use and abuse of violence as a means of political struggle," the insurgent movement is taking place outside of his own country:

"The subversive war is a dirty war, and above all, it is being waged through a well-orchestrated international campaign. We do not have the wherewithal to pay the press or the reporters and I am, especially, not interested in foreign opinion. I am interested in the opinion of the Guatemalan people."

Disinterested or not, that same day he answered questions from an English writer, an American television network and a Swedish journalist.

He told PROCESO that the real power of the guerrillas has decreased 80 percent, although he admits that the insurgents manage to carry out some spectacular actions.

"However, the real power, from the military point of view, has decreased enormously. Now there are only the ideologues, the commanders, two or three dedicated people and the usual negotiators."

In that real power, however, he includes the fact that "the guerrillas have a weapons factory here," but above all they have "American weapons, which are not given to them by the United States, but are obtained in international traffic, just like drugs."

"The recent public executions (of individuals shot after summary, secret military trials) have also provoked charges against your government..."

"They call it 'ayatoilic,'" he interrupted. "Look, the problem is one of circumstances. When cadavers used to show up on the highways here, they called it the law of the jungle. Now these executions are legal, juridically established. I am very much concerned that the world is making too much of these executions," he said with irony. "However, at present there are no dead bodies on the highways. The law is the law, and I respect the law. If I do not respect the law I will have no authority."

Authority, in the opinion of the president of Guatemala, is a form of love. Love, he emphasizes insistently, is "example. It is responsibility, it is work. Love is au-thor-i-ty."

"What do you think of the Mexican Government's policy in Central America?"

"That it is a very Mexican policy."

"Can you give me a broader interpretation?"

"No."

"Thousands of Guatemalans have sought refuge in my country from your army..."

"They have crossed the border for two reasons: First, because hundreds of peasants ordinarily go to work on the coffee plantations, and second, because, being in the combat areas of Huehuetenango, they were afraid of being trapped between the guerrillas and the army, or they collaborated with the subversives, either voluntarily or because they were forced to do so, and they feared reprisals. When 4,000 persons crossed the border with Mexico, that country's newspapers and news agencies reported that there were 25,000, and individuals who had been specially trained for this related macabre stories blaming the army and the government for alleged massacres.

"As for the unanimous charge of territorial violations made against Guatemala by the Mexican press, it was nothing more than a noisy tempest, undoubtedly the work of interests who are afraid to identify themselves and who wish to cause trouble between two countries that have traditionally been friendly. Fortunately, and although our foreign office replied to the note from the Mexican secretary of foreign relations, it was the secretary of national defense and the governor of Chiapas who put an end to that news conspiracy. The border with Mexico is very well marked. One cannot cross it by mistake. Besides, my country's security forces have precise instructions to respect the border.

"Our attitude is simple," Rios Montt resumed. "We have enough problems at home; why should we create more with our neighbors?"

"When the coup d'etat took place there was a triumvirate at the head of the government, and now there is not..."

"Although my colleagues in the Military Junta and I have always gotten along well and agree in our points of view on many of the problems of government, the army commanders felt it was preferable to proclaim a president to guarantee unity of command. And that was done."

"Would you like to explain why you were chosen?"

"No. Simply, I am the head of the government."

"Until when?"

"We do not expect to remain in power as if we were the product of a dictatorship or of a particular political movement. We have not said, '13 February or 25 March or 28 September.' We have done nothing, practically speaking, but theoretically a process has been established. The foreign minister said at the United Nations, with my authorization, that the problem (sic) of democratization would begin in 1985."

General Rios Montt moves around, uncrosses his legs and leans forward to project an air of confidentiality:

"Now, the problem is this: We need the United Nations or the Organization of American States, or Amnesty International or some other organization to come and talk with us, to guide us and tell us what kind of elections we should hold (again, his very words)."

"..." [question not given]

"Yes, indeed, because, let us see: In your country they have one election; in France, they have two; in England they do not have them. So it is quite a problem. This is what we are going to debate, and we are going to debate it on the international level. We would really like to have that advice; I would like Amnesty International to come here and talk with me..."

"Have you invited Amnesty International?"

"Yes, but the fact is, we have no money to pay their travel expenses. That is why they do not come, and that is the problem." And he stifles a laugh.

"What do you think of the Guatemalan oligarchy?"

"Indeed, it is on the level of Russia..."

"I do not understand."

"I do not understand, either. Here in Guatemala we have a very special language. There are no oligarchs here. Here there are people of private initiative who help us. That is all."

"And Marxism?"

"It is a good doctrine for Russia."

"How are the Guatemalan people taking your call for them to tighten their belts?"

"We are a banana republic. Others fix the prices of what they want to buy from us, as well as of what they want to sell us. At this time I am showing the Guatemalan people that we are capable of maintaining ourselves, and so we can very well tighten our belts."

"Does this include the unemployed, the natives, the..."

"The poor people of this country do not have any belts."

"I Am a General, I Know Strategy, and This Gives Me Authority To Administer Policy": Rios Montt

Guatemala--When Efraim Rios Montt wonders out loud, "What am I doing here?" he refers to the presidency of the Republic of Guatemala, taken over in a coup d'etat to "make the word of God real and effective."

And he answers his own question:

I have been here since 23 March at the call of the young officers, who thought of me as a catalyst for the various political, economic and social extremes that are keeping the world in its present state.

He applies this logic:

"I am a general, and as a general I know what strategy is, and I know that strategy is what defines policies: economic policy, social policy and

international policy, and this gives me the moral capability to administer the nation's policies."

Rios Montt overthrew another strategist, Gen Romeo Lucas Garcia, but he emphasized what is perhaps his only difference:

"I am not a makeshift person. I have had training, even for talking with newsmen."

Rios Montt offered this self-portrait to PROCESO's reporter:

"I am a Christian. And a Christian is not a ritualist, nor is he dedicated to customs. As I understand it, Christianity is an attitude toward life.

"What does Verbo [The Word] (the sect about which he had been asked) have to do with my government? We have a congregation, to which I belong, where we give thanks to God and comply with the word, and where we practice the Word of the Lord."

Now, on this basis, he comes to another conclusion:

"That, precisely, is one of the guarantees that Guatemala has, that we are making the word of God real and effective."

His government has just sent the following text to the National Council of Churches of the United States, which is headed by William Wipfler:

"I beg you not to give any encouragement to lies by communist subversives against Guatemalan Government stop Peasants concentrated San Martin Jilotepeque have turned themselves over to army after 6 months wandering through mountains terrorized by guerrillas stop People have arrived ill with diarrhea, malnutrition, anemia and respiratory diseases and are being treated by army medical units since last Friday to improve their health and relocate them in place of origin stop There is no threat whatever against them stop We love them and are protecting them stop If you wish to come to Guatemala you will be able to see for yourself the actual situation of facts and the defamation campaign being continued by irresponsible people to create universal repudiation of democratic and God-fearing government stop Sincerely."

The general in Government House emphasizes:

"Those who say that I have said that I hold the position of president as a 'gift from God' are lying. I have said that I am here because of the will of God, because the Bible says that all power comes from on high."

Ironic, even to the civilian sports clothes in which he received this reporter, he remarked that being a Christian is to live "according to the will of God 24 hours a day, 365 days a year."

"How do you want history to remember you?"

"As I have dreamed: an incident in the life of a people. We are not going to impose either an idea or an image. It is that simple: just an incident."

8735

CS0: 3248/285

## INDUSTRY, COMMERCE MINISTER REVIEWS PERFORMANCE

Kingston THE DAILY GLEANER in English 29 Nov 82 pp 1, 14

[Text]

**INDUSTRY AND COMMERCE Minister The Hon Douglas Vaz on Saturday night challenged manufacturers to help the government transform the economy as he predicted that growth in the manufacturing sector this year will be close to 3%.**

Mr. Vaz, speaking at the Jamaica Manufacturers Association's Export Awards function at the Jamaica Pegasus Hotel, reviewed the performance of sectors within his portfolio responsibility and gave a preview of how the new Trade Board will operate starting in January.

Mr. Vaz challenged the 0.8% growth prediction by JMA president, Mr. Anthony Williams. The J.M.A. president made his prediction in his address to the same function. The Minister said:

'I will challenge Tony Williams that his 0.8% will be a pale comparison, because I now forecast that it will be far closer to 3% growth in manufacturing than 0.8%. That is a challenge I lay out tonight and I know I am right.'

Mr. Vaz said however, that he noted that the manufacturers had certain concerns which had been given very wide publicity which at times made it seem on the surface that the private sector was in combat with the Government.

He said that he had taken note of the manufacturers' concerns about the Government's policy of deregulation and the structural adjustment of the economy and the fears that de-regulation will result in the stifling of the private sector and that the private sector was not capable of competing locally with foreign made goods, which can be produced much cheaper because of technological advances in those coun-

tries.

He said that he had taken note of the J.M.A.'s call for the slowing down of the removal of quantitative restrictions and he was pleased that the association has indicated that it will produce a policy paper examining structural adjustment and its possible effects on the economy.

Mr. Vaz said that since the Government could not issue funded licences that have no foreign exchange backing, it was important that foreign exchange be earned and be on hand in order for the licences to be granted.

Mr. Vaz said that the manufacturers want to know that foreign exchange is available in whatever amounts they need:

'It does not seem to matter that for the first six months of this year, bauxite mining fell to 4.5 million tons, a decline of 26.7%. It does not matter — or seems to matter very little, that though the country mined 11.6 million tons of bauxite last year, this year it is expected to mine only 8.8 million tons...It does not matter to the average manufacturer, and now I speak to their leadership, that



the fall in bauxite production — due to no fault of this government, but because of world recession in the industry, will cost the country U.S.\$60 million.

He said that the fall in price alone will cost the country U.S.\$15 million, so in all, the country will be losing some U.S.\$75 million and it will have to be realised that a fall of this magnitude must be reflected in the amounts of foreign exchange available for the manufacturing sector.

Mr.Vaz said that it was the responsibility of the J.M.A. leadership and the leadership of the entire private sector to educate their members about these facts and not to give the impression that the difficulties in getting licences are due entirely to bad faith or any declining importance attached to the private sector.

Turning to the subject of the Trade Board, Mr.Vaz said that the Board will come into effect in January 1983, an appropriate staff will be recruited including some who have displayed responsibility, dedication and probity in carrying responsibilities in the existing department.

He said that the main function of the Trade Board will be to monitor the administration of imports and exports to ensure that the policies and targets for economic development set by Government are effectively carried out. As well as to monitor that the resources available to the country for imports are allocated in accordance with the guidelines set by the government for growth and development along planned lines.

He said that it was not a 'hand-out' in the decision to appoint private sector representatives to the Board, but these representatives will now have to accept that they are a part of the system and will have to be accountable.

Mr.Vaz said that with the appointment of the Trade Board, the manufacturers are going to need a great deal more responsibility in dealing with the Board: "No longer will you be able to send your licence application and stick it into a box and leave it there. You are now going to have to send someone responsible who will go to a section which is called the vetting section, which since a licence is so important, since a licence is said to have such a high price, we are now going to be paying the priority and treating the licence with the respect and the value which it obviously commands.

"Before the licence application is accepted at the Trade Board the applicant will have to verify and convince the Trade Board that it is a valid licence application, therefore the licence will be issued to ensure that everything written on it is correct."

Mr.Vaz said that there were three perceptions in the mind of the public in terms of the Trade Administrator's Department and he was trying to rectify those perceptions, in terms of the conversion to the Trade Board.

The first perception is whether or not the department is excessively bureaucratic and excessively inefficient, which is correct. The second perception is whether or not the department is tardy with the issuing of funded licences, which he said is totally incorrect, as the licences are issued within the capability that the Administrator has to issue funded licences, because his ability to issue depends on whether or not the BOJ has money. The third perception is whether or not persons in the Department are corrupt. Certain cases have been referred to the Police to determine that point.

With the starting of the new Trade Board the Government was trying to ensure that the charge of excessive bureaucracy and inefficiency is rectified by changing systems and when the Board opens there will be improved systems.

He said that the Government intended to deal with the three perceptions and try to end up with a system which is beyond question.

There will be during 1983 new regulations requiring restrictions on informal commercial importers (higglers) which are now being formalised. They will be subject to an overall quota and will receive licences against their quotas. Unlicensed goods will be subject to fines and seizure.

Exporters to third countries will be allowed to retain a generous portion of foreign exchange earnings to buy raw materials, capital goods or spare parts. They will also have the right to sell their entitlements to other producers in the local or export market within a given time after lodgement.

Mr.Vaz said that funds to exporters are still available under the Export

Development Fund (EDF) which has a total of U.S.\$73.5 million. As of October 1982, a total of U.S.\$50.3 million in short and medium term loans were disbursed. The Government is also designing export development programmes including plant rehabilitation and improvement of plant efficiency and production techniques. An assessment of the dominant features of target markets will be made to determine strategies for entering such markets, he said.

He said that the Jamaica Industrial Development Corporation (JIDC) has plans to start a new factory building programme in 1983. Plans are completed for the Marcus Garvey Drive sewn products industrial estate, the Percy Junior high fashion/entertainment complex to complement Devon House, the Flour Mills expansion and more factories are to be built in Montego Bay and St. Catherine, he said.

The trend of commerce will come in for more scrutiny and regulation next year. He warned illicit and illegal importers that he would be 'throwing the book at them' and if necessary 'write a new book'.

The Minister said that he was very proud of the country's export performance. Despite the 'bawling' about licences, non-traditional exports to CARICOM grew by 31.3% or by U.S.\$14 million to U.S.\$58.6 million up to September, compared with U.S.\$44.6 million over the same period — January to September 1981.

He said however, that he was not so proud of third country exports and it would be the challenge for 1983.

The Minister told the manufacturers: "Let us go into 1983 positively. This Government came to power on the premise that it will give the private sector the opportunity to transform the economy and raise living standards, which is the bottom line of any economy."

"I need not urge you to accept the challenge. I need not urge you to work alongside the Government, amicably, based on your past accomplishments and the innovativeness still being displayed by many. I believe you will accept the challenge. The country is depending on you."

CSO: 3298/185

## SEAGA DISCUSSES BAUXITE, RELATIONS WITH CUBA AT OCHO RIOS

Kingston THE DAILY GLEANER in English 19 Nov 82 p 2

[Text] OCHO RIOS, March [sic] 18: Prime Minister Seaga told journalists covering the Caricom Heads of Government Conference in Ocho Rios today that there were very slight signs that there could be an upturn in the bauxite alumina industry next year. Answering questions at a press briefing at the Sheraton Hotel next door to the Americano Hotel where the Caricom meeting ended today Mr. Seaga said he would not want to use those signs as the basis for a projection however, and is more inclined to think that the upturn will be in 1984.

Mr. Seaga said: "there are only the slightest signs in the future for an upturn somewhere in 1983. These signs have just become apparent. They are too flimsy for us to bank on them and I would not want to use that as the basis for projecting an upturn. I am more inclined to think that there is an upturn coming in 1984. So that we are gearing ourselves for another bad year in 1983."

Speaking on aid from

the United States, Mr. Seaga said that although aid to Jamaica from the US has not been of the magnitude to be a major factor in the country's economic turnaround, it has been timely and very important to the economy.

He said that since the 1980 general elections, aid to Jamaica from the US has increased and is approximately twice the level of what it used to be in the days before the change of government.

"The levels of aid have been in part very significant in assisting us to purchase many of the raw materials, capital goods and other things that are needed for which balance of payments support is required and is provided by aid," the Prime Minister said.

"I would say all in all that it has been very important to the Jamaican economy." Speaking on relations with Cuba, Mr. Seaga said that there was no action taking place to resume relations with that country.

"We don't feel that the conditions yet exist for

that. But there is still an interchange when conferences are held and there is still the air package that moves between Jamaica and Cuba — Cubana Airlines. So that the action wasn't one of total, complete segregation."

Speaking on the Caribbean Basin Initiative, Mr. Seaga said that he thought that there is a good chance of it being passed by the current U.S. Congress.

"I don't feel as comfortable in saying that it will go through the Congress before the end of 1982, but before the Congress itself comes to an end, which is about mid-January.

"I think we impressed upon Mr. Rostenkowski and his delegation that if it was not taken through Congress during the life of this Congress, then the fact that it will have to start all over again with a new Congress would be a virtual death blow, and I believe that that view has helped to give the feeling, more than the assurance, that an effort was going to be made to take it through the Congress by mid-January."

## OPPOSITION ASKS SEAGA TO BACK UP OPTIMISM ON BAUXITE

Kingston THE DAILY GLEANER in English 26 Nov 82 p 27

[Text] A statement issued on Tuesday by the Leader of the Opposition, Mr. Michael Manley, said the Opposition noted with "considerable surprise" a recent statement by the Prime Minister indicating the possibility of increased production in the bauxite industry in 1983.

"We are calling upon the Prime Minister to substantiate his claim and to tell the country exactly what market possibilities have led him to make this optimistic statement and to indicate further which of the companies operating in Jamaica will be providing the additional production which he has in mind," the statement said.

Mr. Manley said that, based on indications to the National Workers Union, which represents all the bauxite and alumina workers of Jamaica, it appeared that production for 1983 was likely to fall a further million and a half tonnes.

"In view of the importance of this industry to the Jamaica economy and the thousands of workers who continue to work at the various mining, processing and wharf facilities we demand to know: i) the basis of the Prime Minister's statement; ii) the steps which the Government is taking to find alternative markets to avert the near disaster which is threatening," the statement said.

CSO: 3298/183

SEAGA REPORTS ON BAUXITE TALKS, NEW ROLE FOR INDUSTRY

Kingston THE DAILY GLEANER in English 26 Nov 82 pp 1, 13

[Text] THE PRIME MINISTER, the Rt. Hon Edward Seaga told the House of Representatives last night that the Government expected to incorporate the bauxite firms in large-scale agricultural development as part of a new agricultural plan being developed.

The Prime Minister was speaking in the debate on the First Supplementary Estimates for 1982/83 which concluded with the House passing the estimates comprising \$137 million in Capital Expenditure and \$10 million in Recurrent Expenditure.

Replying to a question raised by the Leader of Opposition Business, Mr. Seymour Mullings, during the debate, on use of bauxite lands in view of lay-offs in the industry, Mr. Seaga said: We do expect to incorporate the bauxite companies, to the extent that they are able to, in widescale agricultural development, because they have the resource base, they have technical skills, and much of these are idle at the present time".

Mr. Seaga said that in recent discussions with an executive of one of the bauxite companies, one of the subjects that was raised was the reluctance of the bauxite companies to make a contribution to the H.E.A.R.T. programme on the basis that they already had substantial training programmes going and, on the other hand, they did not have Income Tax liabilities against which to write off the programme. He said that the appeal was made that they should be exempted.

Mr. Seaga said that what he said to the bauxite companies was: 'Don't talk about reduction in your bauxite output only, when you have management skills and management capabilities and thousands of acres of land. And to the extent that you can put the land to use and you have management skills which is a resource base, put them to use in the various areas that in the past you have shown an interest in. If not, we can show you other areas of agriculture in which you no doubt will have an interest in and can develop holding enterprise. Within the framework of those holding enterprises, you can be able to accommodate your H.E.A.R.T. contributions and the support from the H.E.A.R.T. trainees'.

"I instanced dairy farming to Alcan; Reynolds has been very active in meat farming and to the extent that others could be made interested in order to enable them to hold on to key staff, which they would want again in the future and whom they would not want to let go off unless it is absolutely essential, their resource base is manpower in the form of highly-skilled and highly trained persons, on the one hand, and land on the other.

"I indicated to that representative of the industry that the Government was framing an agricultural plan which would be and could be of interest to the bauxite companies, inasmuch as it is the type of plan bringing in the kind of dimensions which the companies were accustomed to operate in; and said I would be inviting them to meetings to discuss agricultural plan in order to get them to participate at their level".

Mr. Seaga said that under the plan the Government would also be inviting in other companies which have never though in terms of agriculture before.

"I indicated that there are some companies that are purely importers, who export nothing. They depend on the country to provide them with large amounts of foreign exchange each year to enable them to carry on as importers. I sent the signal to them that the country cannot afford that type of company any longer. ' To the extent that you are solely importers, you must begin to look at some other area of endeavour which you can put your highly-trained, skilled personnel to and your others resources to, in order to enable them to move into new spheres that would generate export earnings themselves'. Just such a plan is being framed," the Prime Minister said.

Returning to the subject of the Supplementary Estimates, Mr. Seaga said the increased spending would send up recurrent expenditure from \$1896 million to \$1906 million, an increase of \$10 million; and capital expenditure from \$875 million to \$1013 million, an increase of \$137 million; the total increase being \$147 million.

Mr. Seaga said, however, that that did not mean that the Budget will be \$147 million heavier; as some Ministries were reluctant to speak about their reduced spending and the Ministry of Finance had to depend on its projections to the end of the year which showed that the Budget was very much on target.

Mr. Seaga said that instead of the \$28.6 million Resource Gap which was expected this year, the gap was now projected to be just \$40 million.

Tax revenues had increased by \$109.9 million, according to the projections. Foreign loans had decreased by \$118 million mainly because some projects had not materialised, which was a move in the right direction since less foreign resources would be required in financing the Budget.

Income Tax collections had increased by \$50.8 million and Customs Duty by \$24 million, but Consumption Duty had fallen by \$11.8 million. The curback in bauxite production had reduced transfers to Capital

Development Fund by \$47.3 million. There were also decreases in the collections from Property and Motor Vehicle taxes.

Mr. Seaga said that revenue collection was showing a level of buoyancy and the Current Account deficit would end at 1.9 per cent of GDP instead of the 1.6 per cent previously projected, which was well below the IMF figure.

Mr. Seaga said that the University of the West Indies and the University Hospital between them would be costing the Government \$81 million this year.

He said that at last week's CARICOM meeting Eastern Caribbean states had made certain proposals on the restructuring of the University which are to be discussed over the next six months.

He said that Jamaica is willing to make its pledge over the next triennium, but it is considered of great importance to Jamaica that the pledges be made against the background of a restructured university. "And hence, so far as we are concerned, the effective date for the financing would be dependent on those discussions," he said.

"At that rate of expenditure, it behoves the country to ensure that what we require by way of planning for higher education is fully met."

Mr. Seaga also announced that provisions for uniforms for Primary and All-Age School students would be increased by \$1 million this year, and \$2.2 million has been allocated as funding for Secondary Schools.

The Bellevue Hospital is to get \$1.2 million to remove the insane from the streets. One hundred and eleven insane persons have been removed from the streets to the hospital since January.

The Prime Minister explained that the \$20 million savings from the Basic Needs Basket was possible because world recession had kept down the prices of goods in the 'basket' such as counter-flour, skimmed milk, soya bean and soya bean oil, and butter-milk.

CSO: 3298/184

## THREE BOARDS NAMED TO RUN REORGANIZED BANANA INDUSTRY

Kingston THE DAILY GLEANER in English 26 Nov 82 pp 1, 13

[Text]

Three new boards to run the reorganised banana industry were announced on Wednesday by the Minister of Agriculture, the Hon. Dr. Percival Broderick. The appointments are to take effect immediately and are to run for one year in the first instance.

Mr. Richard Jackson has been named Chairman of the Banana Company of Jamaica and of the Banana Board. Dr. Marshall Hall, the former Chairman of the Banana Company, will act as Chairman of Eastern Banana Estates Ltd., the newly-formed company for the industry.

A news release issued by the Ministry of Agriculture contained the announcement, as follows:

"The Ministry of Agriculture and the Banana Company of Jamaica Limited have been developing over the past two months, a programme for the reorganization of the Banana Company of Jamaica and the revitalization of the banana industry in Jamaica. These plans are now well advanced and the Minister of Agriculture Dr. Broderick will be making a full statement early detailing the recovery programme for both the exports and the local sales of bananas.

"Today, however the Minister announced the new Board of the Banana Company of Jamaica Limited, the Banana Board and Eastern Banana Estates Limited.

"The appointments on these Boards are to take effect immediately and are for one year in the first instance.

**BANANA COMPANY OF JAMAICA LTD.**

Mr. Richard Jackson - Chairman, Mr. Clarence Franklin - Managing Director, Mr. Peter Kerr-Jarrett - Grower, Mr. Keith Francis - A.I.B.G.A. Representative, Mr. E. A. Walsh - Grower, Mr. Carroll Thorburn - Chartered Accountant, Dr. Marshall Hall - Economist, Senator Clifford Stone - Trade Unionist, Staff representative - Permanent Secretary - Ministry of Agriculture, Mr. Laurice Broderick - Attorney-at-Law and Jamaica Merchant Marine Assn.

This Board will operate with four sub-committees as follows:

- a) Production Operations - which includes Leaf Spot control, Extension services and material acquisition.
- (b) Finance, (c) Industrial Relations, (d) Shipping and

**Marketing.**

Each of the sub-committees will be headed by a member of the Board having particular expertise in that area. The new Board will thus be able to monitor all aspects of the Banana Company of Jamaica Ltd., operations and ensure that the Company will meet the needs of the growers as well as remaining financially viable.

**BANANA BOARD**

The Banana Board is being reorganized to have responsibility only for the banana growing projects owned by the Government of Jamaica. This Board will therefore be composed primarily of technical experts as follows:

Mr. Richard Jackson - Chairman, Dr. Ian Whittaker - Agricultural Consultant, Mr. Clarence Franklin - Managing Director, Banan Co., Mr. Vin Evans - Regional Director, Dr. Richard Jones - Farmer.

**EASTERN BANANA ESTATES LIMITED**

This new Company has a Government of Jamaica 70% shareholding, a Jamaica Banana Producers Association Limited 20% shareholding, United Brands 10% shareholding. It is this Company that owns the new 2,000 acre banana project recently announced by the Prime Minister. The Board of this company has seven members three of which including the Chairman are named by the Government of Jamaica.

Dr. Marshall Hall the former Chairman of the Banana Company and who played a big role in the negotiations as been asked by the Minister to be Acting Chairman in the development phase of this company.

The Board is as follows:

Dr. Marshall Hall - Acting Chairman, Representative from the Ministry of Agriculture, Representative from the Ministry of Finance

Other Government appointees

Mr. Wolfgang Schulz - United Brands, Dr. Lloyd Berg - United Brands - Managing Dir., Mr. Frank Pringle - Jamaica Banana Producers Association Ltd.

This Company is already in operation and the first batch of plantlets of the new Gran Nain variety arrived in Jamaica two days ago."



## SHIPPERS, DOCK WORKERS UNION REACH TENTATIVE ACCORD

Kingston THE DAILY GLEANER in English 26 Nov 82 pp 1, 13

[Text]

The Shipping Association of Jamaica and the unions representing Kingston port workers reached an understanding at the Ministry of Labour yesterday which is expected to result in the signing of an agreement ending the pay dispute which shut down the Port for more than a week last month.

The parties had reached an understanding from early on Wednesday morning when a meeting chaired by the Minister of Labour and the Public Service, the Hon. J.A.G. Smith, ended (at approximately 1 a.m.) at the Ministry. However, yesterday when they met again, several amendments were sought by the parties to a draft agreement which had been drawn up, and another meeting has been set for this morning, when sources say that an agreement is expected to be signed.

The Gleaner understands that the agreement will not only cover the pay dispute, but other matters such as the

payment of Christmas Bonus as well as a clause suspending the proposed lay-off of 50 workers from Kingston Wharves and Western terminals Limiteds, which should have taken effect from yesterday.

The lay-offs have been suspended at the request of Mr. Smith, a Ministry spokesman said yesterday, pending a meeting of the Joint Industrial Council for Port Bustamante which had been planned for today. That meeting has been postponed, but it is understood that it will be held next Friday and the lay-offs will remain pending.

The Minister of Public Utilities and Transport, the Hon. Parnell Charles, has requested the shippers to suspend the lay-offs pending further discussions between the Government and Sealand Services Inc., whose withdrawal from the Kingston trans-shipment port, following last month's strike, triggered the lay-offs.

CSO: 3298/184

## 677 SUGAR COMPANY WORKERS TO BE LAID OFF IN DECEMBER

Kingston THE DAILY GLEANER in English 26 Nov 82 p 1

[Text]

**SOME 677 EMPLOYEES of the National Sugar Group of Companies are to be made redundant at the beginning of December, a news release from the Group said yesterday.. " This action forms part of the company's three-year plan to make its operations viable, over that period," the release said.**

The measures being pursued under the plan include: an increase in cane production; improved harvesting and cane delivery operations; factory rehabilitation programmes, and reduction of costs through rationalization.

Whilst the plan originally required that approximately 900 workers be made redundant, the release said, the company "being concerned about the social dislocation that would result", made efforts to keep the numbers to as low a figure as possible.

To this end, the Ministry of Agriculture has been instrumental in negotiations for the acquisition of lands at Caymanas Estates in an effort to increase the cane production available to the Bernard Lodge Factory, with the net result that the Innswood Factory would not be closed at the end of the 1983 crop as was previously envisaged.

A decision has also been taken not to close the Salt River Wharf at this time, but to streamline the operations for greater efficiency.

In addition, a committee has been set up by National Sugar Company Limited "to investigate ways and means of helping those displaced persons who may need guidance in the period of readjustment".

Payments in lieu of notice will be made on December 9 and 10, with redundancy payments being made not later than March 9, 1983. Total payments are estimated to be approximately \$8 million, the release said.

CSO: 3298/184

## PNP CRITICIZES GOVERNMENT'S ROLE IN PRIVATE SECTOR

Kingston THE DAILY GLEANER in English 27 Nov 82 pp 16, 21

[Text]

**OPPOSITION SPOKESMAN ON FINANCE**, Mr. Seymour Mullings, said on Thursday that despite the Government's "deep and avowed" commitment to the private sector and private enterprise, the Government had decided to invest \$63 million in purchasing shares in a number of enterprises.

He mentioned the purchase by the Government of the Esso Oil Refinery where \$36,270,000 was allocated in the First Supplementary Estimates for its acquisition and said that it was interesting that the conditions on the purchase of Esso and of the shares in the Montego Bay Freeport had shown that the Government "has found itself eating its own words."

Mr. Mullings, who was making the major Opposition contribution to the debate on the First Supplementary Estimates in the House of Representatives, said that if the former Government had taken these actions three years ago, they would have been met by strong condemnation by the present Government which was then in

Opposition, viewing them as actions taken with "ideological considerations".

"It is clear," Mr. Mullings said, "that a Government which is faced with additional expenditures - some probably anticipated, some sprung upon them - will find ways and means of ensuring that there are cutbacks in expenditures so as to see that the recurrent expenditure is maintained."

"One does not quarrel with a Government which seeks to maintain a close relationship with recurrent and capital expenditure, but when a Government closes its eyes to what will happen to this, it can result in a situation where different sectors of the country find themselves in a hopeless situation."

Mr. Mullings said that since the passing of the Budget earlier this year, the Opposition was concerned about certain things, "such as, for instance, the shortage of finance for the KSAC and other Local Authorities". Reports went so far as to suggest that some of them were on the verge of bankruptcy, he said, noting that the monthly cash flow of the Ministry of Agriculture

bore no relationship to the provisions approved by the House in the Budget in May.

"We are concerned that Secondary Schools have run into hard times," Mr. Mullings said, adding: "They were under-financed, some to the extent of almost 50 per cent".

**CONCERNED**

"We are also concerned about the closure of a number of institutions having to do with youth training," Mr. Mullings said, adding that the First Supplementary Estimates "have served to shed some light on the recent cries of woe running around the country, and one has to look at the savings and where cutbacks have taken place to see why these things have happened."

Drawing attention to the cutback of \$20 million in the Basic Needs Basket, savings in Public Health, Rural Farm Credit, Rural Electrification Programme, Teachers Colleges and Vocational Schools, Mr. Mullings said that the "unkindest cut of all" was the \$1 million in the Ministry of Youth and Community Development for youth employment programmes and youth

centres.

Stating that the Prime Minister had given a full explanation about this cut-back, Mr. Mullings said, however, that "there are Members of Parliament in this Chamber who knew about the closure of the youth centres in their constituencies after they have been closed.

### DISRESPECT

"It was only in the last 24 hours that Members were advised about the phasing out of these centres. Notwithstanding the admirable reason advanced by the Prime Minister, no Government should show such disrespect for this institution (the House) and Members of Parliament, that they come to a decision, decide to implement that decision without coming to this House to inform Members of Parliament of this important decision.

"It must be traumatic for a Member to get up one morning and find that the training centre in his constituency is closed. If Members can overcome that trauma, the extent of frustration of the youths who were planning to enter next year in these centres and who will be told that these centres are closed cannot be imagined," Mr. Mullings declared.

Charging that this is "nothing short of scandalous", Mr. Mullings expressed the hope that "nothing of this sort will happen again".

He appealed to the Minister of Youth and Community Development, the Hon. Errol Anderson (who was not present in the House), to bring a Ministry Paper to the House so that Members can be appraised of the

Government's action "on this very important matter".

"The Government should really consider and re-think this matter, because it is going to cause grave consequences in the rural areas among the youths who were looking forward to getting some basic training in their communities," Mr. Mullings said.

### EDUCATION

Turning to the Ministry of Education, he said that Ministry had shown great weaknesses in the implementation of the School Building Programme. He would have hoped that steps would be taken for the Ministry to spend the funds efficiently, but unfortunately "we have a repetition this year that it lacks servicing".

Mr. Mullings voiced the hope that the situation would be remedied. "so that when we hear again of the 50 Primary Schools to be built, we do not hear it Year One, Year Two to Year Five, but how much is being built and how many are on target. We have been hearing about these 50 schools for the past two years."

"It behooves the Government," Mr. Mullings continued, "to take every step to strengthen the implementation capability of the Ministry of Education so that it can properly spend the funds that this Parliament voted for it."

On the savings on the Rural Electrification Programme, Mr. Mullings said that the Opposition was surprised to see this under-expenditure of \$2.125 million. He called upon the Government "to use this savings to put in street lights in communities which are in need of this

facility". He said further that the money would have been better dealt with by providing the Parish Councils with funds to carry out their normal street-lighting programmes without the need for new funds being sought.

Referring to comments made by the Minister of Agriculture that domestic food crop production had fallen by 19.2 per cent, Mr. Mullings said: "We are concerned that when we look into the Supplementary Estimates there is a very serious shortfall in respect to the Rural Farm Credit Programme."

Advising the Government that there is an "ever-deepening discontent in the farming community across the country, be it in sugar, banana, or yam production", he advanced two reasons for this. One was, he said, that since there were no markets for the farmers' products they felt it did not make sense to continue farming. The other was that the loans available at 12 per cent interest rate would not allow the farmers to borrow to produce since the market was already depressed.

"The Minister had said no percentage is high if there is a market, but we submit that the market is getting progressively worse over the last two years, and there is no sign that it will improve. There is no indication from the Government about the re-starting of the A.M.C. and in the meantime farmers are abandoning their holdings."

### AGRICULTURE

Mr. Mullings suggested that if the Government had "a genuine interest" in Agriculture and the farmers, then the Government

should take steps to provide some "positive incentives" to the farming community at this time, in the area of grants, to enable farmers who need these, to get back into operation. Or the Government could provide interest-free loans to certain categories of farmers, restore to former levels certain subsidies in the Ministry of Agriculture, and reopen the A.M.C. shops so that the farmers could take off a portion of their produce.

Mr. Mullings also said that some of the reductions in the Estimates were due to continuing staff reduction in the Public Service. It seemed, he said, that a number of Civil Servants were leaving the service for a number of reasons, "and many of them are people that the Service cannot afford to lose".

The Judicial Service Mr. Mullings noted, was fairly hard hit and the schools were suffering from a lack of trained teachers in certain areas. The financial management throughout the Government seemed to be very weak.

"While we appreciate the efforts the Government is taking to retain its best staff, if the country is to maintain the type of Civil Service it needs, a number of things will have to happen to stop the haemorrhage of the Civil Service," he said.

"It is going to be very important to maintain a tight hold on the Recur-

rent Expenditure, to look at wages of the Civil Servants at large, and bring them into some reasonable relationship to the levels which maintain in the private sector so as to arrest the outflow from the public sector.

"It also behooves the Government to do another thing. We have developed what has come to be known as the Trade Administrator's Department scandal. A very unfortunate case that has developed. We do not think it is fair or just for the political arm of the Government to lay total blame for the outrageous situation there solely at the feet of the administrative arm."

Accepting that certain blame could be attributed to both areas, Mr. Mullings said that the country had been the recipient of announcements time and time again in respect to motor vehicles and there was total confusion in the commercial sector as far as motor-vehicle importation was concerned.

"If there is confusion, and this is seen by the commercial sector, they will take advantage of the situation. The confusion which develops has developed on the number of statements made on this subject. What has happened is that there is an all-out effort to place the blame solely on the Civil Servants," Mr. Mullings said.

"It is unfair of the Minister to say that blame

dates back from 1977. 1977 is five years ago, the Minister went there two years ago. When you try to make a scapegoat of Civil Servants you are doing a dis-service to how our democracy operates."

He said that the political arm of the Government must be very careful on the type of statements made as regards the Public Service. He expressed the hope "that this will not happen again and that the political arm does not seek to demoralise the public sector."

Referring to the lay-offs in the bauxite industry, Mr. Mullings said that apart from the effect this will have on the national economy, it has created an economic void in the parishes where the plants are located, and if this void is not filled it will create tension among the people - "and one does not know the extent to which tension will grow".

Mr. Mullings said that there were some 40,000 acres of land owned by the bauxite companies which are available and the Government should try to get the "thousands of idle hands" on those lands to develop something. "Let us begin now, notwithstanding talk about divestment. The idle hands are there," he said.

Finally, he called on the Government to "resurrect" Midlands Enterprise and provide assistance to the people in St. Ann.

## PAPER QUESTIONS PNP COMMITMENT TO DEMOCRATIC RULE

Kingston THE DAILY GLEANER in English 27 Nov 82 p 10

[Editorial]

[Text]

On Tuesday, November 16, Dr. D.K. Duncan issued a statement on behalf of the PNP disagreeing with any amendment to the preamble of the CARICOM Treaty to include a commitment to human rights including the right of choice of a Government by the people in free and fair elections. We published this statement on November 18.

Dr. Duncan said that the PNP insisted on the right of people in Jamaica to "participate democratically in the life of the country". This phrase is later explained by inference from his praise of Mr. Bishop's Grenada where elections have not been held, and where there is no freedom to dissent, and no free press. Dr. Duncan, on behalf of the PNP, had this to say of Mr. Bishop's dictatorship.

"The Government of Grenada has made fundamental progress in the social, political and economic democratisation of that country," and after listing what he said was evidence — economic growth, reduced unemployment, reduction in illiteracy, involvement of people through trade unions and other groups — Dr. Duncan continued:

"The creating of popular and democratic mechanisms at the community, parish and national levels thus laying the political infrastructure for constitutional reform. All this has led the Grenadian

people to develop complete confidence in their process and its leaders, and thus manifesting the primary requirement of democracy; that is, harmony of the expressed wishes of the people with that of the State."

Dr. Duncan said the PNP regarded the interest and concern of others about human rights in Grenada as flagrant interference in the internal affairs of that country.

We find it more than strange that the PNP should regard it as interference for us and others to express concern about violation of human rights in Grenada, and yet their leader once won an award for his stand against apartheid — symbol of the South African violation of human rights.

We should like Dr. Duncan's leader to reassure the country that the PNP's commitment to the right of a people to change their Government peacefully in free elections is not a cry of convenience for Jamaican ears and situation only. At least the PNP leader should be concerned, as we were, that Mr. Bishop holds such contempt for our system of parliamentary democracy (known as the Westminster model) through which the representatives of the people in Parliament are supreme in their authority, and in which the Government is the servant of the

people. We wish that others who prattle about the Westminster model would first identify it, before they attack it.

We believe that the people of Grenada should be free to determine their Government, and we do not subscribe to the view that Mr. Bishop has any right to impose his dictatorship on them. It is within the context of peoples' fundamental right to choose, that we admit of the right of parties with different philosophies to exist. But we cannot agree that a dictatorship of any kind, imposed on a people interminably, is justifiable in a democracy. The concepts and the realities of both are mutually exclusive.

The PNP must tell the country whether the rights it cherishes for Jamaicans are to be denied to the people of Grenada, who have had no voice in the matter since March 13, 1979, the day of the illegal seizure of the Government by Mr. Bishop.

CSO: 3298/184

## PREFAB HOUSING PLANT PART OF GOVERNMENT HOUSING POLICY

Kingston THE DAILY GLEANER in English 27 Nov 82 p 20

[Text]

A US\$4.6-million contract will be signed by the Minister of Construction, Hon. Bruce Golding, early next month for the construction of three pre-fabrication plants.

The pre-fab plants are to be set up in Spanish Town, May Pen and Savanna-la-mar by an Italian company, Gitsa SPA. Senator Golding announced on Thursday night when he spoke at the annual Berger Paints dealers dinner held at the Pegasus Hotel, New Kingston.

He said that each plant will have the capacity to produce components for some 2,000 houses per annum. He further explained that the establishment of the plants was part of the effort to build up the Government's capacity to address the housing problem.

However, he added, the Government could only address half the problem and the private sector is expected to play an equal part.

Mr. Golding said that Government had estimated that some 12,000 houses should be built annually to meet the demand. As of next year, steps will be taken by Government to meet its quota, but he felt that for the 1983 period there will be a shortfall in the amount of units constructed by Government.

The expectation for next year is that Government will build some 11,100 units.

Ultimately, he stressed, the housing problem had to be solved by constructing more units, with emphasis on houses which the people could afford. But, he said, for a long time to come there will be need for renting of houses.

The Minister expressed concern over the views of some people regarding the Rent Restriction Act. "People are regarding the position of Government as coming down in a biased way on one side". He noted that the Rent Restriction Act was not a new phenomenon, being in existence on the statute books from 1944. The existing restrictions are, however, unworkable and unenforceable, he added. Hence the need for more stringent regulations.

He further said that opinions were being voiced on the "inconsistency in Government's approach to rent control". The Government, he observed, had campaigned on two issues in the General Elections — economics and ideology. This campaign was on the basis of offering better management of the economy in which the private sector would be predominant. The issue of trying to



restore the country's image abroad was also focussed on.

Senator Golding said that, having being elected, Government tried to implement policies which reflected the campaign theme. One such policy

was the structural adjustment programme, which he said would be a painful exercise. He argued that the country could not continue to operate on an economic system which had no viability.

Some Jamaicans, he noted, believed that the commitment of Government was "for unbridled and uncontrolled Capitalism". Hence they were constantly seeking ways of abusing the system and were angry at any form of restriction. He appealed to the "elements who seem to think that we have betrayed our cause" What if they failed to recognize that there must be some compatibility of interest across the country they would have destroyed the climate and the positive gains which have been made.

The function was chaired by Mr Earl Patrick, Marketing Manager of Berger, and the company's progress report was given by the Managing Director, Mr. Mike Fennell.

CSO: 3298/185

## INITIAL ESTIMATES FOR SUPPLEMENTAL GOVERNMENT FUNDING DISCLOSED

Kingston THE DAILY GLEANER in English 19 Nov 82 pp 1, 18

[Text]

**THE FIRST SUPPLEMENTARY** Estimates for the financial year 1982/83 proposing an additional \$123.4 million in public expenditure was tabled in the House of Representatives yesterday afternoon by House Leader, the Hon J.A.G. Smith, on behalf of the Prime Minister and Minister of Finance, the Rt. Hon Edward Seaga.

A summary of the net additional expenditure which is being proposed for approval, shows that on the Recurrent side a total of \$10,286,618 is being sought, while on the Capital side the amount being sought is \$113,191,049.

The Supplementary Estimates have been referred to the Standing Finance Committee of the House for consideration and report. The Committee will meet on Tuesday and Wednesday of next week and will report to the House on Thursday, when it is expected that the debate on the Estimates will take place.

The major allocations being sought on the Recurrent side are: \$17,629,870, for the Ministry of Education; \$7,801,610, Ministry of Health; \$6,153,300, Ministry of Local Government; and \$2,975,000, Ministry of Foreign Affairs and Foreign Trade.

ON THE CAPITAL side, the major expenditures proposed are: \$43,359,361, Ministry of Finance and Planning; \$32,650,000, Ministry of Local Government; \$5,300,000, Ministry of Public Utilities and Transport; \$13,835,000, Ministry of Construction - Housing, with an additional \$4,860,000 for the multilateral/bilateral programme for housing; and \$4,518,260 for the Ministry of Agriculture.

A major portion - \$36,270,000 - of the amount allocated to the Ministry of Finance is to meet payments in respect of the purchase of the Esso

Oil Refinery, while \$20,012,894 is equity contributions to the following companies: National Sugar Company Limited, \$11,000,000; Jamaica Public Service Company Limited, \$4,060,832; Banana Company of Jamaica, \$1,000,000; and the remainder to the Port Authority of Jamaica, Hotel Corporation of Jamaica and Montego Free Port Limited.

IN THE SAME Ministry, \$1,955,000 has been allocated to meet expenses of personnel engaged to address some of Jamaica's critical requirements in professional skills.

A total of \$1,114,550 has been allocated to the Ministry of Agriculture for the establishment of the Agricultural Wardens system in accordance with the Praedial Larceny (Prevention) Act 1982. The amount provided includes the cost of salaries and other operating expenses relating to the appointment of 200 wardens with effect from December 1, 1982.

In the Ministry of Foreign Affairs, \$2-million is proposed for holding the signing session of the United Nations Conference of the Law of the Sea. The conference is scheduled to be held at the Rose Hall Beach Hotel, Montego Bay, on December 6-10.

An additional \$595,000 is required to meet the expansion of the Trade Commissioners' Services in Bonn, Miami and New York.

Under the Ministry of Public Utilities and Transport, an allocation of \$3- million is proposed to rehabilitate trucks, locomotive and rolling stock of the Jamaica Railway Corporation, while \$2.3 million is for sewerage projects in Montego Bay, St. James.

IN THE Ministry of Construction (Works), \$2.5 million is being proposed to effect minor works for asset preservation on roads and buildings; \$13.8 million for the construction of habitable core units at Hurts Bay and Catherine Hall; \$1.5 million to be applied towards completion of internationally-funded projects in the Sites and Services Programme, while \$3.3 million is for squatter settlements upgrading.

A provision of \$2.5 million is being sought for the Ministry of Education for Secondary Schools, and \$13. million for the new triennium at the UWI for 1981/84 including salaries and regrading; \$800,000, a requirement due to increase in construction costs of Comprehensive High Schools and to provide for furniture and equipment; \$574,616 to meet the cost of personal emoluments inadvertently omitted from the original Estimates; increased rentals of offices in Mandeville, Montego Bay and May Pen.

The Ministry recorded savings of \$434,000 as reduced requirement due to the closure of Passley Gardens Agricultural School; \$350,000 from the phasing-out of the In-service Teacher Education and Youth Corps; and \$250,000 formerly granted to the Ja-

maica School of Agriculture.

In the Ministry of Health, a provision of \$599,000 is being sought for fringe benefits to Enrolled Nurses with effect from January 1, 1982, in respect of laundry, uniform and meal allowance; \$7 million grant to the University College Hospital; \$202,610 additional requirement to meet increased contributions in respect of Caribbean Food and Nutrition Institute, Pan American Health Organization - and Caribbean Epidemiology Centre; \$1.2 million to meet outstanding commitments; \$476,563 for additional requirements to meet the cost of the equipment needed as a result of the recent outbreak of poliomyelitis; and \$1.1 million to meet increased cost in supplies and materials in the areas of food and drugs, outstanding utility payments and other operational expenses.

Under the Ministry of Local Government, \$6 million is being sought to meet the cost of purchasing bulk water from the National Water Commission, \$8.5 million to meet the cost of the Road Improvement Programme and \$24.1 million to cover the following: Relief Employment Programme, \$18 million; Special work programme at Independence \$1.1 million, Special work programme at Christmas \$5.05 million.

The Supplementary Estimates also show a \$20 million savings in the Ministry of Finance on subsidy for the Basic Needs Baset, but have provided for a loan of \$18.4 million to Air Jamaica and \$1.8 million for the construction of a Container station in Kingston.

## AIR JAMAICA CONTINUES IN RED, BUT AT REDUCED LEVEL

Kingston THE DAILY GLEANER in English 19 Nov 82 pp 1, 18

[Text]

Air Jamaica, the national airline, has shown a net loss of some \$21.4 million in 1981, in comparison to \$34 million in 1980, recording a reduction of \$12.6 million.

Total revenues in 1981 were \$161.8 million compared to \$189.8 million in 1980, while total operational expenses amounted to \$184.6 million in 1981 compared to \$223.2 million in 1980.

The reductions in both revenues and expenses were due to re-organization in the company, and the discontinuation of unprofitable routes, according to a Ministry Paper embodying Air Jamaica's annual report for 1981 tabled on behalf of the Minister of Public Utilities and Transport, the Hon. Parnell Charles, in the House of Representatives yesterday afternoon by House Leader, the Hon J.A.G. Smith.

THE MINISTRY Paper said that for Air Jamaica there were several positive developments in 1981, compared to 1980, when the company had experienced a decrease in passenger traffic and revenues and had to contend with the "world recession, the poor economic situation in Jamaica and problems within the airline industry".

"That Air Jamaica was able to make what it considers the first step on the road to recovery was due to its determination to keep down costs and reduce losses."

In an effort to streamline operations and utilize its resources more economically, "the company discontinued its scheduled services to London, Frankfurt, Dallas and Houston in early 1981. These routes had become unprofitable because of the high operating costs, due to the type of equipment and fuel prices, and reduced passenger loads."

"At the same time, the company increased the frequency of service on other routes, and introduced a weekly charter between Dallas/Montego Bay and Atlanta/Montego Bay."

OTHER MEASURES carried out by the company included the introduction of an improved marketing

operating programme which led to a reduction in the initially predicted losses, the launching of a dynamic advertising campaign aimed at attracting the Jamaican ethnic market as well as tourists, the placing of greater emphasis on the North American market, and the attempt in collaboration with JAMVAC to increase charter operation in the United States.

The reduction in both revenue and expenses were due to these developments, the Ministry Paper said, adding: "It may be noted that freight revenues declined somewhat in 1981, but Air Jamaica's twice-weekly freighter from Miami continues to play a vital role for the manufacturing sector, and there are plans to expand operations."

"With the Government's emphasis on exports, it is expected that in 1982 the freight revenues should increase."

During 1981 the company restructured its management and introduced a management training programme under new leadership. There were no major industrial disputes, and relations between the unions and the company were fairly good.

"In the face of increased competition from other airlines and the negative effects of fuel prices both directly on aviation costs and indirectly on sales resistance to increase fares, Air Jamaica managed to maintain its market share of 58 percent," the Ministry Paper said.

As far as the future is concerned, Air Jamaica believes it can meet the challenges and play its part in the development of the travel and tourist industries.

"This belief is based on the indications in 1981 of the possibility of financial recovery by determined and dedicated efforts, the increased efficiency of the company and its improved customer service."

Other positive signs are seen in Jamaica's growing attraction as a tourist destination and the bi-ateral talks being held by the Government with several other countries to obtain new routes," the Ministry Paper said.

## SMALL BUSINESS ASSOCIATION MAKES REQUESTS OF GOVERNMENT

Kingston THE DAILY GLEANER in English 26 Nov 82 p 28

[Text]

Among proposals presented to the Government by the Small Businesses' Association of Jamaica (SBAJ) for increased growth in the small business sector of the economy is a request for U.S.\$5-million to fund raw-material imports. The raw material would be imported in bulk by the SBAJ and made available to its members who are bona fide manufacturers.

This was revealed to representatives of the media at a SBAJ-sponsored media breakfast at the SBA Centre, 2 Trafalgar Road, St. Andrew, on Monday. SBAJ President Adolph Brown, and Executive Director, Roy Stephenson, told the media representatives that small manufacturers were constantly hampered by the lack of foreign exchange for the purchase of imports.

Further, it was explained, because the small manufacturers did not have foreign-exchange allocations from which they could obtain raw materials, they had to import the material through dealers who placed a mark-up on the material thus making it more expensive to small manufacturers than it would be to large manufacturers doing their own imports.

Apart from the \$5-million foreign-exchange allocation being sought by the SBAJ on behalf of its members, the Association is also asking the Government to amend the Excise and Consumption Duties laws which small manufacturers say effectively leads to double taxation of the sector.

The SBAJ has also asked the Government to work out a national plan for small businesses. The SBAJ executive said that it was seeking to have either an amendment to the Excise and Consumption Duty laws or to have the Government grant a special concession to small manufacturers at the source of the purchases.

Mr. Adolph Brown, President of the SBAJ, told the media that the Prime Minister, with whom talks have been held concerning the proposals and about other matters concerned with the small business sector, was 'very receptive' to the proposals of the SBAJ.

Mr. Brown said that the proposals by the SBAJ were made in order to make the manufacturer, who had a small enterprise, competitive and more efficient.

The recently-appointed Executive Director of the

SBAJ, Mr. Stephenson, pointed to the importance of the small business sector as an employer, noting that in 1979 one study showed that there were about 37,000 small businesses in Jamaica each employing an average of 2.5 persons.

"What I think we need is the tools" he said, listing these as raw materials, finance and foreign exchange.

The position of Executive Director in the SBA has been created under a SBAJ programme partly funded by the U.S. Agency for International Development, aimed at providing the structural adjustment in the organization of the SBAJ to enable the sector to play an ex-

panded role in the economy.

The programme also aims at the development of personnel and an information system as well as with better marketing of SBA products. It also calls for the establishment of another SBA centre outside of Kingston.

Responding to questions about the state of the small business sector, Mr. Brown said that many small manufacturers had gone out of manufacturing and had gone into trading. He said that the local footwear industry is a dying one and that furniture manufacturers were having serious problems in spite of high-quality production at low prices.

CSO: 3298/183

## WORKERS PARTY STATEMENT HITS CORRUPTION, MISMANAGEMENT

Georgetown MIRROR in English 14 Nov 82 p 2

[Text] THE Workers Party of Jamaica (WPJ) has made a strong statement concerning the level of corruption which is evident in high places in the public sector and demanded a full public enquiry into the operations of the civil service.

In recent weeks evidence has surfaced of state corporations in Jamaica, including the Terra Nova deal, the illegal cultivation of ganja at the BRUMDEC property, and the illicit issuing of licences by the Trade Administrator's Department.

The Party expressed concern that these are only a few of the manifestations of a system which gives unlimited scope for the big man to get bigger, but which at the same time drives sidewalk vendors off the sidewalks and locks up mini-bus operators (many of whom the same system has made unemployed) for seeking to eke out a living under the most oppressive conditions.

The only way to abate corruption, the statement noted, is through a system of greater democracy at the workplace, whereby rank-and-file civil servants, who seen and know what is going on but are powerless to do anything, are given a say in the appointment, assessment and promotion of the higher officials.

Meanwhile, in a radio broadcast over Radio Jamaica, WPJ General Secretary Dr. Trevor Munroe said that over 10,000 workers have been laid off as a result of the deregulation of the Jamaican economy by the Seaga Government in keeping with IMF dictat. There is a worsening of economic conditions with constant decline in production, a wage freeze, an unemployment and retrenchment syndrome, reduction in public expenditure, police brutality, falling education standards and an acute housing crisis.

Within this framework, he identified the role the WPJ will have to play and is playing in the fight-back against the anti-worker, anti-communist policies of the Seaga Administration.

Dealing with the present tasks on the political agenda Dr. Munroe called for greater co-operation between WPJ communists and different sections of the people: the youths, students, workers, professionals, farmers and small

business people.. He likened such a broad-based movement as similar to those established in other capitalist countries.

The WPJ is gaining increasing support from broad sections of the people while simultaneously the reactionary ruling Jamaica Labour Party (JLP) suffers from dwindling support within its anks.

However, said Dr. Munroe, the People's National Party (PNP) of Michael Manley will have to adjust its line of struggle and openly oppose the IMF measures as well as taking a firm stand against imperialism.

But while the JLP essentially represents the reactionary capitalist interests, the PNP, because of its class character, is supportive of working class interests only in a limited way. Therefore the WPJ will have to fill the gap in championing the interests of the working class and moving the country in the direction of social progress.

CSO: 3298/183



## BRIEFS

CONSTRUCTION MATERIALS SHORTAGE--THE CHAIRMAN of the Hardware Merchants Association, Mr. Peter Moss-Solomon, has warned that the "prevailing shortage of cement, steel and lumber which is driving up building costs and making it difficult for many hardware distributors to remain in business" also threatens to stymie the growth of the Jamaican construction industry. According to Mr. Moss-Solomon, hardware distributors have been unable since January to secure adequate quantities of cement, which is produced by the Government-owned Caribbean Cement Company, steel which is produced by the Caribbean Steel Company, and lumber, which is imported by the Jamaica Commodity Trading Company. [Excerpt] [Kingston THE DAILY GLEANER in English 29 Nov 82 pp 1, 14]

RAW MATERIALS IMPORTS--THE GOVERNMENT has decided to enfranchise the Small Business Association to be the importer of raw materials and other products for the Association's members, provided those members have registered with the Excise Department, Prime Minister Edward Seaga said Friday night. Speaking at the Small Business Association's First Annual Small Business Awards function at the Jamaica Pegasus Hotel, Mr. Seaga said: "The Government has decided that we will enfranchise the Small Business Association to be the importer of raw materials and other products for the Small Business Association's members, provided these members, where applicable, have registered with the Excise Department." Mr. Seaga said that this would allow the SBA to fulfil the role which it had yearned to do, or which it had asked to see some other organization do, in order to provide its members with duty free raw materials. The Prime Minister said that the Government had also decided that in the forthcoming (budget) allocation for 1983 of foreign exchange, a sum would be involved representing the total which would be made available to the small business sector, and the SBA would be allowed to represent not only the interest of the small business sector but also its members in terms of such allocations. [Excerpt] [Kingston THE DAILY GLEANER in English 29 Nov 82 pp 1, 14]

CSO: 3298/185

## NEW HEAD OF EPISCOPAL BODY PLEDGES QUEST FOR JUSTICE

Mexico City UNOMASUNO in Spanish 19 Nov 82 pp 1, 4

[Article by Teresa Gurza]

[Text] Sergio Obeso Rivera, archbishop of Jalapa and as of yesterday president of the Mexican Episcopal Conference, said in his first statements as such that the church will use all its moral power to change Mexico's situation and turn the country into a more just place. He stated that a way of reforming the constitution would be sought, should this be necessary, in order to achieve legal status for the church, and he specified that in the relations between church and state "there have been mutual aggressions and bad treatment, although it cannot be said that the minds of the negotiators of both sides have been completely closed."

The archbishop of Jalapa was elected during the third balloting by 54 of the 74 votes cast, 4 more than the indispensable number. His nearest contenders were the bishop of Zamora, Jose Raul Robles, with 11 votes, and Cardinal Ernesto Corripio Ahumada, with 6. Bishop Robles became vice president of this highest episcopal organization.

Obeso was born in 1931 in the city of Jalapa; he studied at Rome's Gregorian University and there he was ordained priest in 1954. Paul VI designated him bishop and archbishop in 1961 and 1974, respectively. He took possession of the Archdiocese of Jalapa in 1979. Until yesterday he occupied the position of vice president of the CEM (Mexican Episcopal Conference).

At a press conference that took place yesterday, Obeso outlined his principal objectives: the unity of the bishops within a healthy pluralism, and the establishment of legal status for the church. If to achieve this it is necessary to amend the constitution, the episcopate will struggle for that purpose.

"We want to vote; we want the church to own property that would permit it to better develop God's kingdom," said bishops Manuel Talamas from Ciudad Juarez, Luis Reynoso from Ciudad Obregon and Manuel Perez Gil from Mexicali, who specified that the restriction that hurts them the most is the denial of their right to vote. "We pay taxes, we are citizens like anyone else,

and I believe that a priest has studied more and is more capable of voting than a street sweeper, and the street sweeper votes," stated Bishop Reynoso, who asked that the church be granted the legal status that belongs to it, so that it will not be a mendicant nor a tolerated church, but one that exists legally with all the rights."

In answer to a specific question, they asserted that they cannot guarantee not to oppose democracy, because they have not done so before, and that it is enough to know something of the national history to realize that the church was the shaper of the national culture and that if it once had too much power and wealth, "it assumed these given the necessity that existed of supplying the country and acting as substitute for the government, which was unable to take charge of the schools and hospitals."

Obeso as well as the rest of the bishops stated that they consider feasible the possibility of achieving legal status during De la Madrid's 6-year term, inasmuch as the president-elect has come out in favor of a dialogue with the church--they commented--and during his electoral campaign he even asked for interviews with all the bishops, showing understanding and cordiality during those interviews that were held.

"Apart from this," stressed the prelates, "the establishment of legal status for the church will benefit everyone, because at the present time the citizens are divided; as Catholics they have to do one thing, as citizens another, and in order to obtain high-level government jobs they even have to renounce their faith."

In reiterating their position they warned that what is at stake is the church's dignity and not solely questions of economics or of whether the church can own property; "the church cannot keep begging the government for its status, it cannot be its chorus nor can it have the government as its sexton."

Obeso also said that the church should not remain detached from the country's main problem, education, and it therefore wants and has the possibility of cooperating with the government; he stated that this is no time for rivalries but for joining forces, and pointed out that the Mexican bishops support those of the United States in their demand for an end to the armaments race.

For his part, the bishop from Ciudad Juarez said that although it is true that the situation of the church in Poland "cannot be transplanted to Mexico, influence from its actions has been felt, inasmuch as it struggles for human rights and for the people.

"The only thing we want," he repeated, "is for Mexican rulers to be mature and not devious; if this country is democratic, let it demonstrate it by respecting the rights that belong to us."

Finally, the bishop from Mexicali concluded by warning that the revolution "has left many gaps and injustices," among them the exclusion of many Mexicans from work, "while building up in exchange a tremendous bureaucracy manipulated by the system."

## JLP DECORATES NEWLY PROMOTED GENERALS

Mexico City EXCELSIOR in Spanish 21 Nov 82 pp 5-A, 39-A

[Article by Jesus M. Lozano]

[Text] The promotion of five members of the armed forces to the rank of general took place during a series of ceremonies held last Friday and Saturday. Nine persons were promoted to brigadier general and 18 colonels were promoted to brigadier.

All of these were from the "20 November Promotion," and along with them 826 other military men ranking from lieutenant colonel to second lieutenant were also promoted.

Also, in a special ceremony, the decoration for perseverance was awarded to 11 division commanders and one brigadier as well as to 211 individuals of lesser rank. This ceremony, held at Military Camp Number One, was presided over by the president of the republic, Jose Lopez Portillo.

Last Friday, at the same military camp, 967 members of the military were decorated with the medal for perseverance, and General Juan Arevalo Gardoqui, commander of the First Military Zone, gave a speech in which he praised the loyalty and the behavior of army personnel, as well as their performance on behalf of the institutions.

Last night at the Military Medical School General Felix Galvan Lopez, secretary of defense, handed out awards to those victorious in the annual competition on the subject of the revolution, sponsored by that unit.

The new major generals are: Antonio Riviello Bazan, commander of the 25th military zone; Mario Olivier Bustamante, commander of the 5th military zone; Alfonso de la Torre Martinez, of the presidential guards; Edmar Euroza Delgado, commander of the parachutist brigade, and the aircraft pilot Eduardo Acosta y Munoz.

Brigadier generals: Jaime Contreras Guerrero, Mexican military attache in Spain; Juan Felix Tapia Garcia, Carlos Cisneros Montes de Oca, Maurilio Roberto Falcon Flores, Adolfo Hector Velazco Casas, Francisco Ramirez Cabrera, Jose Ventura Lara Duarte, Jaime Cohen Yanez and Raul Lopez Torreblanca.

Brigadiers\*: Juan Poblano Silva, Ricardo Maldonado Baca, Enrique Perez Casas, Slavador Alvarez Nahara, Juan Heriberto Salinas Altes, Edmundo Antonio Paredes, Jose Angel Garcia Elizalde, Jose de Jesus Alvarez Maldonado, David Salas Vazquez, Leandro Rosado Ferrer, Juan Jose Ballesteros Beltran, Samuel Humberto Munoz Torres, Jose Nuno Sension, Sergio Cutberto Espinosa, Liborio Perez Elorriaga, Arturo Torres Alarcon, Crispin Viruega Sevilla and Juan Angel Nunez Valdez.

Those major generals who retired are the following: Joaquin Solana Chagoya, Angel Flores Martinez, Horacio Carrara Canchola, Felipe Villanueva Carrillo, Jose Duran Almaraz, Bernardo Huicac Najera, Pablo S. de Martinez, Jose Encarnacion Ramirez Linares, Juan B. Figueroa, Hector Corral Ramirez and Fidencio Mendoza O.

Generals Jose Miguel Cal y Mayor and Angel Flores Martinez spoke during the retirement ceremonies.

Last night's ceremony was headed by General Galvan Lopez, and the director of the University of the Army and the Air Force, Division Commander Arturo Corona Mendioroz, was in charge of delivering the official speech.

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\*The Mexican Army has a rank (General Brigadier) between Colonel and Brigadier General that has no counterpart in the U.S. Army hierarchy.

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CSO: 3248/304

## BRIEFS

CHIAPAS DEVELOPMENT PLAN--The intensive cooperative program for the development of Chiapas, promoted by UNICEF, ACNUR (UN High Commission for Refugees) and the Mexican Aid Committee for Refugees, will begin to function early next year. Diplomats who are taking part in the project indicated that the work--coordinated by the aforementioned UN agencies--is destined to help the population of Chiapas with the construction of an infrastructure relating to public health services, elementary, basic and technical education and aid in the production and supply of food to the poorest sections of the region. According to reports, the communities of Guatemalan refugees located in these areas will be integrated into the program. UNICEF will provide counseling, coordination and part of the funds. At the present time the program is being studied and examined. UNICEF international officials and the UN High Commission, in collaboration with government officials, will prepare a detailed report on the needs and priorities of the communities in regard to food, education and medical care. The budget will be decided on the basis of this information. It is expected that by the middle of next month the project will be completed and that talks with Chiapas officials about its application will start then. [Text] [Mexico City EXCELSIOR in Spanish 19 Nov 82 p 7] 9907

CHIAPAS POLITICAL CLASH--Oaxaca, 22 Nov--A new armed confrontation that took place at midday in the village of San Miguel Chimalapa, in this municipality, between PRI and COCEI [Labor Peasant Student Coalition of the Isthmus] sympathizers left one person dead and three injured. The skirmish broke out when the assistant juridical director for the state government, Gaspar Hernandez Chavez, was reinstating as mayor of the municipality the COCEI member Indalecio Sanchez Cruz, who had been violently thrown out of the mayor's office last 18 October by a group of dissatisfied PRI members. A group of PRI members headed by Wilfrido Cruz and armed with pistols and shotguns burst in violently while the citizen member of COCEI was being sworn in once more, shooting at the COCEI sympathizers who had gathered there. Luciano Gutierrez died, and the municipal representative who was also being sworn in anew, Andres Lopez Zarate, and Mrs Esperanza Gutierrez as well as Bulmaro Jimenez Gutierrez were wounded. At the offices of the government's judiciary police in Oaxaca the director, Adolfo Fernando Garrido Parada, asserted that a group of agents had gone to the place where the confrontation took place and that the person guilty of the death and injuries of the COCEI sympathizers was Wilfrido Cruz, the member of the PRI who was leading the invading group. [By Felipe Sanchez] [Text] [Mexico City EXCELSIOR in Spanish 23 Nov 82 p 4-A] 9907

CSO: 3248/304

## FOREIGN TRADE MINISTRY ON 1982 EXPORTS

Managua LA PRENSA in Spanish 6 Dec 82 p 5

[Text] According to a report from the Ministry of Foreign Trade (MICE), at the conclusion of the period of Nicaraguan exports relating to 1982, in November, the latter amounted to \$298 million.

Alenka Bermudez, director of MICE's Information Department, made public today at a press conference the breakdown of the exports, and their respective collection of foreign exchange.

The information source stated that the total exports of Nicaraguan coffee from the 1981-82 harvest, reckoned up until 20 November of this year, amounted to \$111.8 million.

The export volume of the aforementioned product reached the figure of 902,110 quintales, with an average sales price of \$123.93 per quintal.

The countries importing Nicaraguan coffee are: the Federal Republic of Germany (FRG), Spain, the United States, the Netherlands, Switzerland, France, Italy, the USSR, the German Democratic Republic (GDR), Czechoslovakia, Hungary, Bulgaria and the United Arab Emirates.

## Cotton

The exports of cotton from the 1981-82 harvest cut as of 20 November collected a total of \$86,489,567.

The export volume was 267,586 bales, with an average price of \$64.69 per quintal.

According to the report released by Mrs Bermudez, a bale of cotton amounts to 4.9 quintales.

The source of the information said that this product was purchased by: Japan, the People's Republic of China, Taiwan, Finland, the Federal Republic of Germany, Belgium, Czechoslovakia, Bulgaria, Italy, France, Guatemala and Honduras.

As was noted, cotton is the second-ranking item among Nicaragua's exports.

## Sugar

Up until 20 November of this year, the marketing of sugar amounted to 2,032,456 quintals, valued at \$36,202,855.

Nicaragua sells a quintal of sugar abroad at an average price of \$17.81. According to the information obtained, the purchasers of this item are: the United States, the USSR, the Netherlands and Mexico.

## Meat

The reports explained by the MICE official state that beef sales collected a total of \$26,944,137.

The total amount exported and accumulated as of 20 November was 25,891,480 pounds, sold at an average price of \$1.046 (less than \$1.05).

The United States, Canada and Puerto Rico purchase the native item.

## Products of the Sea

The data from the MICE November bulletin indicate, in addition, that exports of products of the sea exceeded 3 million pounds, accruing foreign exchange receipts of \$17,641,630.73.

The various products of the sea are purchased by the United States, Canada, Japan, Guatemala, Costa Rica and El Salvador.

The report includes sales of instant coffee, natural and peeled sesame seed, molasses, leaf tobacco, cigars, frozen vegetables, plywood, raw materials, rootlets, castor oil plants, ginger and peanuts.

The United States, Central America (the other countries), Puerto Rico, the Federal Republic of Germany, Colombia and Canada purchase some of the above-listed products.

At the beginning of 1982, the Nicaraguan Government estimated that \$500 million might be accrued from exports.

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CSO: 3248/384



## SOCIALIST INTERNATIONAL MEMBER DISCUSSES PURPOSE OF VISIT

Managua BARRICADA in Spanish 6 Dec 82 p 2

[Interview with Nicole Bourdillat, the French Socialist Party's official in charge of international relations for Latin America, by Guillermo Cortes, in Nicaragua; date not specified]

[Text] Nicole Bourdillat is the French Socialist Party's official in charge of international relations for Latin America. She was a member of the high-level commission from the Socialist International which spent 2 days in Nicaragua, including a visit to the very scene of the fighting on the northern border.

This exclusive interview with BARRICADA attests to Bourdillat's insight into the destabilization plan which President Ronald Reagan is activating against the Sandinista revolution, and to her pledge to propose to her party and to the Socialist International the expending of greater efforts to prevent intervention in our country and in Central America.

She also makes an analysis of the charges by the Argentine official, Hector Frances, which she claims constitute further evidence of the presence of a Terrorist International. These are her verbatim remarks:

[Question] What is the preliminary assessment concerning the stay in Nicaragua by the Socialist International's high-level commission?

[Answer] We have seen many persons, and have also had occasion to gage at close hand the problems confronting this country, the economic ones and those associated with the threats and the policy of destabilization being run from outside.

Desire for Self-Determination and Independence

[Question] What evaluation have you made of the Nicaraguan people's intention of defending their country against aggression; for example, what you observed during your visit to San Francisco del Norte?

[Answer] I do not have merely an impression from the trip to San Francisco del Norte, or to Jalapa; it is a more total impression, of a people who have struggled as they did to overthrow Somoza in order to achieve the country's independence. One need

not be surprised to see them now defending their revolution, when they feel that there are further threats against the country. That is the source of the people's strength in defending the present policy and the present desire for self-determination and independence on the part of the Nicaraguan people.

It is true that there are very particular conditions now, and a more structured policy abroad to attempt to destabilize, perhaps, rather than to intervene directly in Nicaragua, and that the concrete threats are also helping to bring about that mobilization of the people.

#### Priority Is Defense

[Question] Nicole, will you carry away any recommendation for your party and the Socialist International?

[Answer] Of course, I shall convey to my party what I have seen of the weight of those threats, and to the effect that those threats are real, and have their consequences; because they are preventing the normal development of institutionalization of the process, despite the government's efforts. To be sure, the efforts must be made in other areas at present, and the Nicaraguan Government, which is faced with this state of aggression, must select priorities, and the one for defending the national sovereignty.

[Question] What contribution could the international community make to prevent the massive intervention against Nicaragua and to foster the intensification of democracy?

[Answer] I think that the presence of the Socialist International is meant to contribute, support, make disclosures and speak with different political forces in other countries which carry weight in the area, so that, in the current situation in Central America, a negotiated political solution may be reached, in other words, without having to resort to war.

#### Reagan Was Unsuccessful

[Question] Now that President Ronald Reagan's tour of Latin America has ended, what observations could you make concerning it?

[Answer] It would appear that it did not have the success that they expected when they organized it after the United Nations' vote on the Malvinas. A policy that is not based upon real principles pursued in a continuous manner will fail. It is of no use to vote in favor of a resolution in the United Nations unless there is, to back it, a real political desire to respect the Latin American peoples.

I think that, in this connection, the French foreign policy, which has great steadfastness in the defense of certain fundamental principles, may at times move at a slower pace. We must discuss and explain our positions. But, underlying them there is a real desire for dialog and equality among peoples. We believe that every nation has its own interests; once in awhile there are slight clashes, but that is no reason for questioning the major features of the policies.

## The Terrorist International

[Question] You must surely have learned about the charges made by the Argentine official, Hector Frances. What comment would you make concerning them?

[Answer] This is an interesting point, which is nothing new; because it was known about the connections in the Southern Cone and the dictatorial regimes. And we might also mention their participation in the Central American situation, as a backer and support for the policy of intervention. What is important about the statements of an Argentine official is that this is evidence of the fact that the international connections go far beyond the inter-Central American connections.

There is actually a structure among the dictatorial governments; or, rather, the dictatorships have forces which back those dictatorships as a kind of extreme right terrorist international which, at times, has participated in action in Argentina, and on another occasion against the democratic forces of Boliva. Another time, it acted against Nicaragua, and it has also participated in El Salvador.

In other words, it has a rather speedy mobilization capacity, and that must be disclosed, because the conservative forces often bring up the matter of subversion, and of the participation of foreign forces on the side of the leftist forces: that talk to which we are accustomed. Well, here there is further evidence, as we had previously, of the fact that the foreign influence and interference is not from the leftist side, as had been assumed in the major foreign press.

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CSO: 3248/384

## TV PROGRAM ON ACTIVITIES OF COUNTERREVOLUTIONARIES

Managua BARRICADA in Spanish 6 Dec 82 p 9

[Text] The activities of the counterrevolutionaries, observed in the broad context of their action and goals, were aired last night by the Ministry of Interior [MINT], on the TV program "People's Power," prepared by MINT's Audiovisual Media Section.

A thorough linkage of counterrevolutionary acts and deeds, ranging from the explosion of bridges, the destruction of economic targets and graphics showing how the commando units specializing in explosives are trained to the association thereof with statements made by counterrevolutionaries arrested by the State Security forces, constitutes the splendid documentary on "People's Power."

Also included are statements made by Rene Talavera Lumbi, former chief of Red Cross operations, who was arrested for participating in contacts involving intelligence with the United States Embassy.

In another part of the 40-minute documentary, a summary was made of the statements made recently by Comdrs Lenin Cerna and Julio Ramos regarding the counterrevolutionary weaponry and training.

The compilation of this significant material took 2 months, and its production took 2 weeks.

In view of the need to explain to our people that the aggression is something concrete, and not something that is to come, but rather something that is taking place, Comdr Luis Carrion, first vice minister of interior, directed the preparation of that extensive material.

One very interesting feature of the subject matter viewed last night on television is the fact that the activities shown graphically coincide with the statements made by Hector Frances, who a few days ago disclosed the most recent plans of the counterrevolutionaries stationed in Honduras.

The people could observe how the counterrevolutionaries are being trained in their camps, and how the activities of William Baltodano, the destruction of equipment in Iyas, and the blowing up of bridges bear a consecutive, scheduled relationship.

Of course, these operations are not merely a result of direct action on the part of the counterrevolutionary military units made up of former Somoza National Guardsmen, but rather have been guided and planned by the American Central Intelligence Agency. That was made clear in the "People's Power" program.

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CSO: 3248/384

## NORIEGA DESCRIBES RELATIONS WITH NICARAGUA

PA191901 San Jose LA NACION in Spanish 11 Dec 82 p 10A

[Text] According to what Col Manuel A. Noriega, chief of the Panamanian general staff, said yesterday afternoon, Panama's relations with Nicaragua are currently frank and they include respect, sovereignty and truth in their talks and dealings.

Noriega, accompanied by Lt Col Elias Castillo, came to Costa Rica to participate in the closing of a 3-month course which Panamanian Army instructors gave to civil guard recruits.

The closing of this course, which involved the training of 134 new policemen, was held at the National Police Academy in San Rafael de Ojo de Agua.

During the graduation, Public Security Minister Angel Edmundo Solano Calderon warned that the training of the police force is aimed at preventing crime, terrorism and subversion from taking over our society.

The training given to the public force will help our people work in freedom so that they can continue to produce, Solano Calderon noted.

He thanked the Panamanian authorities for their support and for sending the instructors.

## We Are Not Isolated

For his part, Colonel Noriega, considered to be Panama's second strongman after National Guard Commander Gen Ruben Dario Paredes, commented to reporters at Solano Calderon's office late in the afternoon. Asked about the status of relations between the Panamanian and Nicaraguan armies, Noriega said that Panama maintains "respectful diplomatic relations" with Nicaragua. "We've put our cards on the table and that is the extent of our relations," he said.

He then described these cards as respect, sovereignty and truth. In discussing ideologies, he defined Panama's doctrine as that of a Third World and pluralist country. He outlined the generational history that concluded with the signing of the Torrijos-Carter Treaties in 1977 in his country.

"From that moment on," he said, "our relations with any other country have been those of respect and acceptance."

He said that the respect that Panama gives is equal to that which it receives regardless of how populous the other nation is or how large its territory. Noriega maintained that the problems of Central American states like Nicaragua, Honduras and Guatemala must not be viewed in an isolated manner.

According to him, these countries are no longer islands. Now, he explained, they are a part of a strategic situation.

The problem of Nicaragua and the Isthmus, Noriega added, worries Panama which is the land with the interoceanic canal and with the responsibility to keep it free for all nations and flags of the world.

Noriega described this concern as "positive and Christian." In conclusion, he did not give his opinion regarding the Congress' rejection of CIA support for anti-Sandinist groups. He described the matter as "high tension wires" [cables de alta tension] which he would rather not discuss.

CSO: 3248/375

## FORMER G-2 HEAD DISCUSSES REPUTATION, CAREER

PA191800 Panama City LA PRENSA in Spanish 16 Dec 82 p 1A

[By Migdalia Fuentes]

[Text] Col Manuel Antonio Noriega, until yesterday chief of G-2 military intelligence, has been promoted to chief of staff. There has been a variety of stories concerning the personality of Colonel Noriega, one of the most popular being the claim that for several years, he has been the "power behind the throne." After having remained behind the military scene, he now comes into the lime-light by occupying a post within the armed institution which is more prominent in the public's sight.

Noriega voices his opinion on his reputation as a feared, enigmatic military officer and notes: "I am me.... I am Manuel Antonio Noriega; I have always been the same. I played in the street when I was a child. I have enjoyed myself whenever I had a chance and I have been myself in all my acts. The claim that I am enigmatic comes with the position." Noriega points out that everybody thinks that the G-2 post is a mystery because, precisely, it is not a position "to distribute dolls." [as published] The chief of staff explains that the G-2 is not a position in which one can be open about everything he knows or is aware of; such is the nature of his function.

Noriega says that the G-2 position carries with it real and fictitious enemies, "who think they have been harmed...and everybody asks who is to blame; therefore, it is easier to blame the G-2." He maintains that this not only happens in Panama, but also in the Pope's Security Corps, in Russia, in the United States, in Sweden and in Switzerland, where the intelligence services are the most feared, in the sense that "they know how to complete their mission." Noriega points out that the criminals are the ones who fear the G-2; he adds that those who have nothing to fear, who have done nothing against public security, do not fear, who have done nothing against public security, do not fear the G-2 or the security organizations.

Asked about the type of power he sees in his new position in the government structure, he firmly rejects the term power which, according to him, we tried to stress in the interview. He notes that they (the militarymen) belong to a decent organization of conscientious men who are not members of a tribe where the strongest is the one with the longest spear or the one who hits the hardest.



"We perform in our duties. In the National Guard posts I have held, from the rank of second lieutenant to the present position, I always respected my superior; I was always zealous in doing my duty."

Asked how he defines himself politically, Noriega maintains "my policy will be the military regulations, the military organizations, the projections to contribute to this generational transformation so that in the year 2000 we can have a truly professional and strong force watching over the security of the canal, which is available to all flags of the world."

CSO: 3248/375

## INTELLIGENCE CHIEF DIAZ HERRERA ON TORRIJOS SENTIMENT

PA181650 Panama City LA PRENSA in Spanish 16 Dec 82 p 1A

[By Migdalia Fuentes]

[Text] Another National Guard change of great significance that took place yesterday was the appointment of Col Roberto Diaz Herrera to the position of G-2, military intelligence. Roberto Diaz Herrera, first cousin of the late Gen Omar Torrijos Herrera and considered by some Torrijos' political heir in the military commands, claims that not only the officers of the military staff, but all of the mid-level commanders and the troops are imbued with the Torrijist feeling.

"I do not feel that I am the only one on the military staff who carries the Torrijos line to a superlative degree," Diaz pointed out. Diaz said it is true that some circles have been talking about detorrijization, etc, but that he reiterates that the National Guard is imbued with that Torrijos feeling.

When asked about disagreements within the National Guard based on the wish to end the Torrijos line, Colonel Diaz Herrera said that there has been speculation because of a series of events that started some months ago. It was difficult to replace a person like the late General Torrijos, who enjoyed a lofty position within Panama's political circles and who, because of his strong political personality so deeply rooted in the Panamanian people, had his own methods, his own personality, and his own style.

Each man has his own style, Diaz Herrera points out. He explains that whoever takes over a command will be able to decide his own image and methodology and personality in general.

Diaz Herrera recalled one of General Torrijos' sayings that everything changes and that many things that were good yesterday are not good today.

Colonel Diaz explained that what could have happened and has been interpreted by the people--some maliciously, others in good faith--is that the series of events that have occurred in this country have come about too quickly to be digested.

CSO: 3248/375

## NEW MERCHANT MARINE TAX APPROVED BY COUNCIL

PA182031 Panama City LA PRENSA in Spanish 16 Dec 82 p 1A

[By Vladimir Sandoval]

[Text] In its session yesterday, the legislation council approved a new tax system for the oceangoing [De Servicio Exterior] vessels registered with the National Merchant Marine.

The new law, which will become effective as soon as it is signed by the executive branch, says that upon entering the Panamanian Merchant Marine, all vessels must pay 1 balboa per net tonnage or fraction thereof, with a minimum of 300 balboas.

It adds that these vessels must pay the following tariffs for their documentation: vessels of 500 TRN [net register ton], 800 balboas; from 500 to 1,600 TRN, 1,000 balboas; from 1,600 to 3,000 TRN, 1,400 balboas; from 3,000 to 8,000 TRN, 1,650 balboas; and vessels more of 8,000 TRN, 200 balboas for each 5,000 tons or fraction in excess of 8,000 TRN, up to a maximum of 3,000 balboas.

The approved tax system says that these sums do not include the charges specified in Article 317 of the fiscal code and law 47 of 8 August 1975.

It establishes that all oceangoing vessels listed on the Panamanian registry must pay an annual tax of 0.10 balboas per ton or fraction thereof or register ton or fraction thereof.

The law establishes new rates for the oceangoing vessels involved in maritime commerce, including passenger ships, fishing vessels, dredges, ferries, drilling vessels, cargo ships, tugboats, vessels involved in scientific research, supply ships, submarines, troop-transport ships, exploration vessels, floating dry-docks and vessels of activities which are not for profit or commerce.

It also establishes annual inspection rates in accordance with what is established by law 39 of July 1976, beginning with passenger ships and including any other vessels which have not been mentioned. These rates range from 400 to 1,800 balboas.

The law says that the oceangoing vessels will have to pay an annual tax for investigation of accidents and the administration's participation in international conferences and treaties. They will also pay for the modification of the ship's certificate of registration as well as for the administrative actions related to documenting the vessels.

## GENERAL NUTTING COMPARED TO ADVENTURER W. WALKER

PA192308 Panama City LA REPUBLICA in Spanish 17 Dec 82

["Vox Populi" column by Luis Restrepo: "The New Walker"]

[Text] In June 1855, filibuster William Walker, accompanied by 55 armed bandits, arrived in Nicaragua for the first time. At the time, Walker was fresh from his experiences in lower California in Mexico, where he tried to emulate another Yankee who had taken the Mexican territory of Texas by doing the same with lower California, so that it could later become a part of U.S. territory.

Walker engaged in all kinds of evil acts in Central America on the basis of the concept of "manifest destiny." He arrived in Nicaragua when the country was immersed in civil wars that had been triggered by those who wanted to divide the land among themselves, including a man called Fruto Chamorro, the bloodiest and most repulsive of all.

Walker received support from those traitors, who granted him Nicaraguan citizenship. He was even made the president of Nicaragua.

The memory of Walker has always had its place in the plans of the banana transnationals and of those who still claim that Central America and the Caribbean are U.S. property and that the concept of the "manifest destiny" remains in effect for the area.

Following in Walker's footsteps, the U.S. Marines were sent to fight Sandino. It was Walker's image that was portrayed by the hierarchs of the United Fruit Company, by the vacaros and by all who exploited Central America's wealth, always with the complicity of the region's rulers, in the last century.

At the moment, when Nicaragua is again undergoing a historic situation, when the temper of Sandino's people is being put to the test, another hopeful appears on the scene to raise pirate William Walker's standard.

Wallace Nutting, a U.S. general, has now become the apostle for the armed invasion of Nicaragua, in particular, and of Central America, in general. To achieve his objective, he has plenty of modern war materials, including springboards in Honduras, Puerto Rico and the continental United States. He knows

that he will be backed by those who now rule El Salvador, Guatemala and Honduras. He has travelled throughout Latin America promoting the plan; he knows he will have the approval of and support from the Chilean, Uruguayan, Argentine and Paraguayan armed forces.

He believes that everything is ready, and he only awaits orders from the U.S. Government to unleash an invasion that will be both lightning-fast and lethal. He considers himself predestined for this mission. He considers himself the new Walker and he dreams of recreating the pirate's feats in Central America. It is almost certain that all of the filibuster's adventures are a part of the regular reading material for this Yankee general, who heads a powerful command whose plans encompass not only Central America but the domination of South America and the Caribbean as well.

William Walker, the filibuster, was executed in Trujillo, Honduras, on 12 September 1860. The new Walker hopeful should give equally careful thought to that part of history.

CSO: 3248/375

## BRIEFS

INTERNATIONAL RESERVES DROP--According to a Central Bank report international money reserves during August and September dropped \$92.4 million which represents a 13.2 percent decrease. [PY201945 Asuncion HOY in Spanish 13 Nov 82 p 8]

FISCAL BUDGET FOR 1983 APPROVED--Yesterday the Senate approved the 1983 fiscal budget which apportions 94,016,512,853 guaranies for the central administration and 243,214,427,126 guaranies for the decentralized enterprises. The budget also estimates that income of the central administration will amount to 93,344,664,801 guaranies while income for the decentralized enterprises will amount to 254,940,619,494 guaranies. [Asuncion ABC COLOR in Spanish 19 Nov 82 p 11 PY]

MONEY SUPPLY DROPS--Money supply during the month of September dropped by 2.1 percent compared to the month of August. According to the Central Bank, money supply as of 30 September amounted to 66,448,000,000 guaranies compared to 67,866,000,000 guaranies in August. As of May 1981, when the Central Bank started the monetary contraction as a means to curb inflation, money supply has dropped by 24,194,000,000 guaranies which represents a drop of 26.7 percent. [Asuncion ABC COLOR in Spanish 14 Nov 82 p 15 PY]

CSO: 3348/137

MALLET DISCUSSES ECONOMY, FOREIGN POLICY

FL302115 Bridgetown CANA in English 1825 GMT 30 Nov 82

[By Guy Ellis]

[Text] Castries, Saint Lucia, 30 Nov (CANA)--Saint Lucia's Trade Minister George Mallet has described the island's economic stituation as one of crisis and opportunity.

Addressing local businessmen at the chamber of commerce's annual general meeting, Mallet also called for "urgent transformation" of Saint Lucia's private sector to take advantage of the opportunities which he said would no doubt arise in "the almost immediate future."

These opportunities, Mallet said, would be available as a result of developments within the Caribbean Community (CARICOM) and the benefits that would flow from the Caribbean Basin Initiative (CBI).

He explained: "Government and foreign investment can provide the stimulus, but the private sector will be expected to take a closer look at itself, so that it will be ready to respond to the immediate challenges and future opportunities."

Mallet identified four areas where, he said, close examination would be needed:

Movement from a largely commercial to an industrial-oriented private sector;

The need to devise new production methods which were cost effective and designed to produce competitive goods and services;

Urgency in identifying new corporate structure and ownership patterns which facilitate growth and development of the private sectors; and

The need to formulate new marketing strategies for domestic goods and services.

He said the meeting was taking place at a time "both of great crisis and of great opportunity" for Saint Lucia. He referred to the critical international economy situation which he said compounded domestic economy problems.

Mallet said: "It is no secret that our domestic economy is in bad shape. It has had to contend not only with international recession, but also with a disastrous hurricane two years ago, and not least, political chaos in recent times. Levels of output in all major sectors are down and this is so particularly in the vital banana and tourist industries."

But Mallet said that notwithstanding these problems as well as declining productivity which had pushed the country's unemployment to "alarming high levels," his government was determined to act resolutely to fulfill the mandate given to it by the electorate last May in the country's third post-independence general elections in as many years.

He briefed the businessmen on the government's strategy for economic recovery. First, Mallet said, the country's infrastructure would be restored and expanded with four major projects and, secondly, contacts would be re-established with traditional aid donors "to once again restore Saint Lucia's favourable image and so facilitate the growth of the tourist industry and promote investment."

Mallet added: "We are in the process of streamlining all these initiatives into a coherent and consistent plan of action aimed at the reconstruction and development of our country's economy."

According to the minister, the government's foreign policy would be a key part of the new thrust in its economic policies.

He explained: "The objective will be to transfer resources from the outside world on favourable terms and at the least cost to the Saint Lucia economy. We are in the process of refining this policy to embrace not only traditional donors but non-traditional ones as well, with the clear intention of maximising the assistance we can acquire from these sources."

"Although we are a small country we have decided that with the assistance of our CARICOM partners and our associates in the African Caribbean and Pacific (ACP) grouping as well as through the various agencies of the United Nations, we can make an impact not only on the transfer of resources to poor countries, but also through strategic commodity groupings in the terms of trade between industrialised and primary producing countries."

While recognising the value and importance of foreign investment for creating employment and transferring technology, Mallet said, conditions had to be established under which such investment could make a meaningful contribution to economic growth and development of the country.

According to Mallet, the government saw foreign investment as a prime source of foreign exchange for Saint Lucia's economic development, but, he added, there had to be an agreement in principle about "a fair rate of return, the repatriation of profits and management fees."

He said: "The bottom line, however, must be that the particular industry is an earner of foreign exchange, foreign investment must contribute to the technological development of the society. As far as possible this must be



"linked to the identification and utilisation of local raw materials and the imparting of technical skills to local producers and manufacturers."

Mallet spoke of the government's proposal for the establishment of a tripartite commission with the private sector and trade unions to deal with wages, prices, productivity and employment, saying this body was critical to Saint Lucia's economic recovery.

CSO: 3298/1171

ST LUCIA

SIR ALLEN LEWIS APPOINTED GOVERNOR GENERAL

PA131828 Madrid EFE in Spanish 1750 GMT 13 Dec 82

[Text] Castries, 13 Dec (EFE)--The government of the Caribbean Island of Saint Lucia has chosen 76-year-old Sir Allen Lewis as the new governor general of the country, to replace 56-year-old Boswell Williams.

Williams, appointed governor by the former government, refused to resign when requested to do so last month.

Queen Elizabeth II of England, head of state for this former British colony, relieved him from his office on the advice of Prime Minister Joh Compton.

Lewis, the new governor general, earlier occupied the office from 1974 through 1979.

The office of governor general is a symbolic one in these English-speaking Caribbean Islands, where state management comes under the British colony.

Here the governor has no political power, although, in theory, he may refuse to sign a law approved by parliament.

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CHAMBERS PRESENTS 1983 BUDGET TO PARLIAMENT

FL180006 Bridgetown CANA in English 2339 GMT 17 Dec 82

[Text] Port-of-Spain, Trinidad, 17 Dec (CANA)--Trinidad and Tobago Prime Minister George Chambers today slashed state subsidies by millions of dollars and announced wide ranging revenue measures in a 9.9 billion dollar (one TT dollar ; 41 cents U.S.) 1983 budget presented to Parliament here.

In his two hour long discourse, Mr Chambers warned that despite the country's oil wealth, external factors in the main had helped put the economy "on the threshold of a difficult period."

Capital spending is pegged at 4.3 billion dollars, with current expenditure 5.6 billion dollars.

The budget, reflecting a slump in the country's vital petroleum sector, brought a doubling of gasoline and kerosene prices, reductions in subsidies on building materials, including cement, as well as basic foodstuff such as flour and rice.

Mr Chambers also moved to curb what he said were massive foreign currency outflows on travel and monetary gifts, both of which together accounted for some 57 million dollars in the first half of this year alone.

The prime minister raised the airport departure tax by 400 percent--from five to 20 dollars--with immediate effect and said a five percent tax on airline tickets was imminent.

He said Trinidadians spent 30 million dollars between January and June on vacation travel compared with seven million dollars on business travel.

"Current trends (in travel), Mr Speaker, reveal that the importance of foreign exchange as an economic resource for a small country such as Trinidad and Tobago is not fully appreciated," Mr Chambers told the house.

The minister of finance declared: "In some areas, there appears to be a wholesale abuse of facilities provided for the convenience of people with the legitimate needs."

He said the five percent levy on the sale of all airline tickets (except on those for travel between Trinidad and Tobago) would become effective 1 January, and is expected to bring in 10 million dollars.

The increase in airport departure tax is estimated to yield six million dollars.

Mr Chambers said subsidies on petroleum products had totalled 350 million dollars in 1982, with the net cost to the treasury being 175 million dollars.

By reducing the state subsidy, the Trinidad and Tobago prime minister said his government was hoping to reduce the loss to the treasury by 78 million dollars in 1983.

Despite the hike, he said that petroleum prices here would still be "among the lowest in the world." Premium gasoline now goes from 28 cents per litre to 55 cents, regular gasoline from 23 cents to 45 cents and domestic kerosene from 11 to 25 cents.

The government announced an immediate reduction in the state subsidy on cement, a move expected to yield 79 million dollars, as well as those on rice, flour, chicken, and livestock feed, among other items, this move geared to saving government 88 million dollars.

The prime minister indicated too there will be a hike in public utility rates, noting that the state-owned Trinidad and Tobago Telephone Company (TELCO) had already applied for increase rates. He said TELCO and the Trinidad and Tobago Electricity Commission (TTEC) would be required to reduce their dependence on the state by 1984 as a matter of policy.

"...The time has long passed for the various public utilities to introduce more meaningful tariffs," Mr Chambers told the house.

But he added that despite the proposed hike in utility rates, Trinidadians and Tobagonians would still be paying less than their Caribbean neighbours, despite the fact that people were enjoying higher levels of income.

Purchase taxes, motor vehicle taxes and excise duties have been increased with immediate effect. In the case of purchase taxes, they went up by seven percent.

Purchase tax at the rate of 15 percent was reintroduced on various cosmetic items such as perfumes, shaving creams, powder, etc. Mr Chambers said the measure was expected to yield 45 million dollars in government revenue.

The hike in excise duties on matches, alcoholic beverages, lard substitutes, etc., is estimated to bring government 30 million dollars in revenues.

In the case of motor vehicle taxes, the total increases would yield 60 million dollars to the state.

Prime Minister Chambers called on nationals to save their earnings and announced a tax incentive to encourage savings. He also called for a stepped-up export thrust and increased production in agriculture to cut down on the country's high import food bill.

Businessmen undertaking export promotion missions in markets outside of the Caribbean Community (CARICOM) have also been offered an incentive package.

"The government of Trinidad and Tobago will introduce a comprehensive package of export financing facilities comprising pre-shipment guarantees, post-shipment guarantees and rediscounting facilities at concessionary rates. The incentive measures...will apply only in respect of exports to countries outside CARICOM, Mr Chambers said.

The budget package also brought increased pensions for senior citizens as well as abolition of food stamps. Pensions will move from 125 to 200 dollars monthly and from 1 January 1982, pensioners will receive payment by cheque.

The cost of drivers' licence renewals has gone from 40 to 75 dollars but this would exclude persons 65 years and over who would be exempted, Mr Chambers announced. The licence is valid for three years.

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GOVERNMENT TO END 1982 WITH BUDGET DEFICIT

FL172157 Bridgetown CANA in English 1855 GMT 17 Dec 82

[Text] Port-of-Spain, Trinidad, 17 Dec, (CANA)--The Trinidad and Tobago Government is ending 1982 with a budget deficit of at least 855 million dollars (one TT dollar ; 41 cents U.S.), thanks to falling revenue and steeply rising expenditures, according to the GUARDIAN newspaper here.

Quoting official figures, it said the government spent 334 million dollars more than it had budgeted for in 1982 and experienced a fall of nearly 93 million dollars in recurrent revenue.

Government corporations absorbed large sums: the public transport corporation 127.4 million dollars, water and sewerage authority 281.6 million dollars, port authority 110 million dollars, BWIA international 82.3 million dollars, electricity commission 110 million dollars, Chaguaramas Development Authority 3.2 million dollars and the telephone company limited 60 million dollars.

The 1982 ECONOMIC REVIEW said that individual citizens paid in 370 million dollars more in taxes than projected, but revenue from companies was 431.9 million dollars less than estimated.

With regards to the government's unemployment fund, the REVIEW said "Receipts into unemployment fund should realize the sum of 155.1 million dollars at the end of 1982. This sum is considerably below the level of the receipts in 1981 by 45.9 million.

"This is due mainly to decrease in rank from oil companies, consequent on the introduction of the new petroleum tax legislation. The supplemental petroleum tax is a charge against the profits of an oil producing company, causing the steep fall in receipts under the levy."

In an effort to contain prices and generate increased production during 1982, the government is likely to end the year having spent 467.5 million dollars in subsidies, including 88.6 million dollars for the poultry industry, 102.1 million dollars on the sugar industry and 155.3 million dollars on cement production.

No mention was made in the REVIEW of petroleum subsidies, except 2.9 million dollars for production of liquified petroleum gas (LPG), but in the 1982 budget

speech, Prime Minister and Minister of Finance George Chambers had said that "A deliberate policy of government has been to make available to the population the products of the nation's hydrocarbon resources--around which the entire economy revolves--at extremely low and highly subsidized prices.

"The effect of this policy has been a tenfold increase in the subsidy on petrol petroleum products from 33 million dollars in 1974 to an estimated 327 million dollars in 1981.

"Under existing conditions, this subsidy is expected to grow at a rate of at least 12 percent per annum (and)...if left unchecked it is estimated that by 1985, 25 percent of the gross revenue per barrel of oil could be absorbed by this subsidy...."

The 42 percent rise in the total of subsidies in 1982 over 1981 was mainly brought about, the REVIEW noted, by the 190.8 percent increase in the cement subsidy.

The 1981 operations of government achieved a surplus of 235.6 million dollars but the 1982 out-turn is likely to be an 855.5 million dollars, the REVIEW said.

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END